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Cuba ... 10.00 ... 500 ...
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Shultz, Hussein Review U.S. Plan

By David B. Ottaway
Washington Post Service
LONDON — Secretary of State George P. Shultz met Tuesday with King Hussein of Jordan to discuss a peace plan but brought no commitment from Israel's divided government to support the initiative.
After five days of committing between Jerusalem and three Arab capitals, Mr. Shultz conceded he did not see either Israeli or Arab asking for his two-phase peace plan, but he pledged to continue working for a breakthrough.
"If I had to describe the situation," he said before boarding his plane at Tel Aviv, "I would say no one has signed up to our proposals at everybody want us to keep working. So we'll keep working."
In Jerusalem, an Israeli official said both Israel and Jordan had rejected parts of the Shultz plan but wanted him to continue his mediation efforts.
Yossi Ben Aharon, director general of Prime Minister Yitzhak Shari's office, told a group of American Jewish leaders that Mr. Shultz had rejected "an early date certain" for negotiations on the final status of the Israeli-occupied territories.
"We should not be stampeded into discussing sovereignty today," Mr. Ben Aharon said. "They put us back to the 1967 lines, which is a mortal danger to us."
Mr. Ben Aharon said the Jordanians "cannot accept the package as it was conveyed to them" but he did not specify what precisely they had rejected.
Mr. Shultz said he would decide whether to return to the Middle East after this week's NATO summit meeting once he had talked to President Ronald Reagan in Brussels on Wednesday. His aides said there was a good chance he would return.
Despite the lack of concrete results, Mr. Shultz seemed pleased with the way his talks with Arab and Israeli leaders had gone, except for the refusal of any Palestinians to meet with him.
"They want to see things move," he said. "I don't see any other game plan than the one we have."
He said all his discussions had been "very substantive and direct and to the point" and that because of the Palestinian unrest in the occupied territories over the past three months, "people's minds are more open."
"It's more possible to get some-

Genscher: NATO's New Signal

Hans-Dietrich Genscher, West Germany's foreign minister since 1974, expects the treaty eliminating medium-range nuclear missiles to lead to other arms-control agreements. As the North Atlantic Treaty Organization prepared to debate future strategy at a meeting in Brussels starting Wednesday, he discussed the challenges facing the alliance with Joseph Fitchett of the International Herald Tribune.
Q. What do you expect from the NATO summit?
A. I expect it to provide a forward-looking demonstration of the alliance's cohesion and vitality. Our goal is to preserve and strengthen liberty and peace, the same values the alliance has pursued for nearly 40 years. For this, the alliance needs a reliable defense capacity. On that basis, we want to use the opportunities for dialogue and cooperation and for progress on arms control at this particular juncture.
The Intermediate Nuclear Forces Treaty, which has the full support of all allies and which we expect to be ratified soon, must not remain an isolated event. We want it to trigger progress in other areas of disarmament. The NATO summit can send an important signal in this respect.
Q. What areas in particular do you have in mind?
A. The central problem of European security lies in the Warsaw Pact's conventional superiority. Key importance therefore attaches to conventional arms control. We strongly urge that negotiations on conventional stability be started this year.
In such negotiations the aim should be to strive step by step for a situation in which military forces are geared solely to defense needs and the Warsaw Pact's capacity for invasion is eliminated. We realize that this will not be an easy path, but our security demands that we take advantage of every opportunity to make progress in this respect. I am certain this will be one of the main subjects discussed at the summit.
Q. Do you think the Soviet Union is genuinely prepared to eliminate its superiority in this field?
A. Soviet conduct in connection with the INF Treaty suggests that it is. After years of opposition, it agreed to the complete elimination of intermediate nuclear forces, in which it likewise participated under the Internal Security Act.
JOHANNESBURG — The government clamped down further Tuesday on anti-apartheid organizations, introducing legislation that would prohibit the use of donations from abroad by any individual or group for "political aim or object."
The move followed a decision by the government last week to effectively ban the activities of 17 anti-apartheid groups, including the United Democratic Front, and to severely restrict the country's largest labor movement, the Congress of South African Trade Unions.
The latest measure, called the Promotion of Orderly Internal Politics Bill, also provides that any person who "says or does anything" that can be construed as fomenting hostility or violence between racial groups will be liable to prosecution and two years' imprisonment upon conviction.
That provision appeared to be aimed at extreme rightist groups such as the neo-fascist Afrikaner Resistance Movement.
On Saturday, hundreds of supporters of the group, some armed with rifles, revolvers and clubs, marched to government offices in Pretoria to present a petition to President Pieter W. Botha demanding the creation of a separate state for whites.
A senior government official said that the group was being investigated under the Internal Security Act.



Kremlin Acts on Rioting

Army to Enforce Curfew Decreed in Azerbaijan

By Philip Taubman
New York Times Service
MOSCOW — Military forces called in to quell rioting in the southern city of Sumgait have remained there to enforce a curfew, the government said Tuesday.
Confirming that violent disturbances on Sunday in Sumgait were related to nationalist unrest that has recently flared across the same region, the government reported that there had been an unspecified number of injuries in clashes between Azerbaijanis and Armenians in the city.
Sumgait, an industrial center on the Caspian, is in the Azerbaijan Republic, which along with the neighboring Armenian Republic has been shaken by nationalist protests and clashes recently.
The application of military force to deal with the violent rampage in Sumgait, and the imposition of a curfew, reinforced the impression that the disturbances in Azerbaijan and Armenia had become among the most serious outbreaks of nationalist unrest since consolidation of the Soviet Union in the early 1920s.
The Soviet Union has rarely reported the use of military force to suppress internal disorder. The government never confirmed unofficial reports that troops were used to quell anti-Soviet rioting in the central Asian city of Alma Ata in December 1986.
Gennadi I. Gerasimov, a government spokesman, said that protests were continuing Tuesday in Stepanakert, the capital of Nagorno-Karabakh.
He said protesters in the city, which has a population of 33,000, were staging "rolling demonstrations," apparently meaning that they were organizing themselves into groups that appeared in different shifts on the streets.
In Sumgait, Mr. Gerasimov reported, the situation was "calm but tense." He confirmed reports from government officials in Baku, the Azerbaijan capital, that there had been injuries in Sunday's rioting.
Before Mikhail S. Gorbachev became the Soviet leader three years ago, the government almost never

Botha Aims to Curb Anti-Apartheid Aid

By William Claiborne
Washington Post Service
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On Shultz's mission, real issues often seemed remote. Page 8.
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"It's more possible to get some-



A Palestinian woman held out her son Tuesday as Israeli soldiers arrested him in the West Bank town of Ramallah.

Rebel Quarrels Spoil Afghan Prospects

By Steven R. Weisman
New York Times Service
PESHAWAR, Pakistan — The war in Afghanistan, has produced at least two factions of guerrilla leaders whose clash of ideologies and ambitions is hampering negotiations for a Soviet troop withdrawal and an eventual peace.
On one side are Islamic fundamentalists; on the other are traditional leaders with tribal and village constituencies.
Despite a recent show of unity in proposing an interim government if the Russians pull out, the seven Pakistan-based parties in the Afghan guerrilla alliance remain deeply divided and suspicious of each other, according to people involved with the rebel movement.
The latest, and perhaps final, round of "proximity talks" between Afghanistan and Pakistan on ending the war opens in Geneva on Wednesday, three weeks after Mikhail S. Gorbachev announced that he was willing to begin withdrawing troops on May 15 if a peace pact were signed in mid-March. U.S. officials, including Secretary of State George P. Shultz, have said they believe the Soviet leader sincerely wants to disengage.
The rivalries among the rebel groups derive from a wide range of differences. They include religious attitudes, political ideology, generational differences, geography, military strength and tactics, ethnic and linguistic identities, tribal loyalties and other factors.
"With all these categories, it's difficult to imagine one group assuming leadership," said a Pakistani official. "Unity should come from everyone's weariness after eight years of war, and a unified interim government is a logical option. But it may not be a realistic one."
The divisions have forced the abandonment of the idea of uniting the guerrillas around the former king, Mohammed Zahir Shah, who was overthrown in 1973 and now lives in Rome.
The king is said to have broad support in Afghanistan, but several guerrilla leaders insist they would continue fighting if he returned.
The rebels, popularly known as mujahid, or holy warriors, are estimated by Western analysts at close to 150,000, with a like number of supporters in reserve. The analysts say they control perhaps 75 percent of Afghan territory, leaving major cities and roads in the hands of Soviet and government forces.
The guerrilla alliance, which calls itself the Islamic Unity of Afghanistan Mujahid, was formed last year but remains basically divided between the two factions — the four groups representing Islamic fundamentalism and three representing more traditional sources of authority in Afghanistan, such as village or tribal authorities.
Besides the seven Pakistan-based groups, which are largely Sunni Muslims, there are others, operating partly from bases in Iran, generally made up of Shiite Muslims.
They are said to control an area in central Afghanistan where there has been little fighting since 1980 and have refused to join the negotiations for an interim government.
The seven Pakistan-based leaders are united in their opposition to any role for Communists in a future Afghanistan. But members of the traditionalist and fundamentalist groupings each say the rival group is not representative and must not dominate.
"We are the backbone of this resistance," said Gulbuddin Hekmatyar, head of the Islamic Party, the strongest fundamentalist group. He said the three so-called traditional parties "are part of an old feudal system" that must yield.
The traditional parties dispute Mr. Hekmatyar's claims, saying that once the war ends, Afghans will again look to tribal and feudal leaders and to Moslem clergy allied with them.
"What these four parties want is not in accordance with the wishes of the people of Afghanistan," said Zabihullah Mojaddi, a leader of the Afghanistan National Liberation Front, a traditionalist group. "The people never even heard of them before the war."
Mr. Mojaddi is the son of Sibgamullah Mojaddi, leader of the Liberation Front and an outspoken foe of Communism.
See RIVALRY, Page 2

On Manila Treasure Trail — Again

By Keith B. Richburg
Washington Post Service
MANILA — The loot, if it exists, is enough to tickle the most adventurous imagination: a multibillion-dollar treasure trove of gold, silver and jewels.
The believers say it could cover a good chunk of the huge Philippine foreign debt.
The fabled World War II booty has long eluded searchers, and its trail is marked with politics, intrigue and greed.
A new treasure hunter has now entered the scene: Charles McDougald, a writer and former member of the U.S. Army Special Forces who affects the wide-brimmed hat and stubbly beard of the movie character Indiana Jones.
Mr. McDougald claims to be hot on the trail of what is known as the Yamashita Treasure. His team, based in Las Vegas, has an exclusive contract for excavation work at a Spanish fort that once housed American prisoners of war in the center of Manila's old walled city.
Under terms of the contract, the government keeps 75 percent of whatever is found. Mr. McDougald's group, International Pre-Gold Metals Inc., gets the rest.
As with past attempts to find the treasure, Mr. McDougald's dig has met with controversy, criticism and intrigue. Two Filipino workers died during an accidental cave-in last week, exposing what until then had been a highly secret operation.
The Senate unanimously passed a resolution Monday asking that the dig be stopped. The opposition leader, Juan Ponce Enrile, said forgers' greed for gold was desecrating a national monument.
On Tuesday, Mr. McDougald announced that he expected to hit the jackpot within 15 days.
He denied that the work was desecrating Fort Santiago, and he reminded his audience that the treasure could pay for school buildings, roads and other projects.
Former President Ferdinand E. Marcos is said to have been obsessed with finding the Yamashita Treasure. Mr. McDougald suggested that Mr. Marcos, who lives in exile in Hawaii, and people in the Philippines who still support him were somehow acting to halt the excavation.
Estimates of the treasure's worth range as high as \$200 billion. In a surreptitiously tape-recorded telephone conversation last year, Mr. Marcos said he had \$14 billion in gold stashed away. Some dismissed that as bravado, but others took it as an indication that Mr. Marcos knows where the treasure lies.
The trove is supposedly the gold, silver and jewels amassed by a Japanese general, Tomoyuki Yamashita.
See TREASURE, Page 2

Klosk

2 UN Hostages Freed in Beirut

BEIRUT (AP) — Two Scandinavian employees of the United Nations were freed Tuesday, less than a month after being taken hostage in southern Lebanon, the Swedish Foreign Ministry said.
UN sources said Jan Stening, 44, a Swede, and William Joergensen, 37, a Norwegian, were released in West Beirut and were in good physical condition.
The Revolutionary Cells group, which took responsibility for the abduction Feb. 5, said in a statement that the two UN Relief and Works Agency employees were freed after being "proved innocent."

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INTERNATIONAL HERALD TRIBUNE
LAMBARENE, Gabon — A young man deftly guided his dugout canoe to a bank of the Ogooué River and sprang ashore.
After securing the boat, he explained why he brought his wife here when she fell ill from malaria.
"The care is very good," he said. "Everyone knows they work hard at Le Schweitzer."
Seventy-five years ago, in April 1913, Albert Schweitzer traveled by paddlewheel steamer up the Ogooué, a vast brown waterway that drains a stretch of central African wilderness the size of Britain. At Lambarene, the farthest navigable point, the Alsatian doctor built his jungle clinic.
Today, visitors from Gabon's coastal cities come to Lambarene by commuter jet and stay at hotels offering air conditioning and color television.
But for most Africans living in isolated settlements squeezed between the river and the rain forest, the 20th century has meant little more than exchanging canoe paddles for outboard motors. Two constants of life are precarious health conditions and a deep loyalty to the hospital known as the Schweitzer.
The Albert Schweitzer Hospital performs a service that is still rare on the African continent: the deliv-

Schweitzer's Loyal Patients

By James Brooke
New York Times Service
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A sixth-year Swiss medical student, left, assisted by nurses, treats a 2-year-old malaria victim who was in a coma when brought to the Albert Schweitzer Hospital in Lambarene, Gabon.

Iran Charges Moscow Gave Iraq Missiles

Compiled by Our Staff From Dispatches
NICOSIA — Iran protested to the Soviet Union on Tuesday over Iraqi attacks on Tehran, accusing Moscow of supplying Iraq with the missiles being fired at the Iranian capital in an escalation of the Gulf conflict, Tehran radio reported.
The radio said that the Iranian deputy foreign minister, Hossain Sheikholeslam, had summoned the Soviet ambassador to Tehran, Vladimir Gudev, and told him, "This is not the first time American policies have been implemented against us with Russian weapons."
According to the radio, monitored in Nicosia, Mr. Sheikholeslam "pointed to the resumption of Iraqi attacks and its use of Russian missiles, warned the Soviet ambassador and demanded an explanation from the Soviet government."
The official Iraqi News Agency said that the ground-to-ground missiles, used against Tehran for the first time Monday, had been manufactured in Iraq.
A communiqué quoted by the

See GULF, Page 2

On Summit Eve, NATO Seeks To Seize Initiative on Arms

By Joseph Fitchett
International Herald Tribune

PARIS — As President Ronald Reagan arrived Tuesday in Brussels for a NATO summit meeting, allied governments appeared eager to take the initiative in arms control after months in which the Soviet leader, Mikhail S. Gorbachev, has steadily gained popularity in the West with his proposals.

Western leaders are unanimous in supporting the INF Treaty being discussed in the United States and the Soviet Union, but they have voiced contrasting views about the treaty's impact on the North Atlantic Treaty Organization and about the next steps in dealing with the Soviet Union.

Mr. Reagan and Prime Minister Margaret Thatcher of Britain say NATO should continue business as usual by pursuing plans to modernize its nuclear and conventional forces.

Chancellor Helmut Kohl of West Germany, on the other hand, wants NATO to rethink its agenda to put more emphasis on new East-West arms cuts.

The two French leaders at the summit meeting, President François Mitterrand and Prime Minister Jacques Chirac, are split on these questions. Mr. Chirac sympathizes with the British and French views, including the need for what an aide called "a strategic pause" in disarmament talks.

Mr. Mitterrand echoes the West German desire to seize opportunities for arms cuts, and he has called on NATO to revise its military strategy.

At the two-day summit meeting, aides say, NATO leaders intend to minimize their differences and present a publicly united front. The aim is to reassure domestic public opinion and send what one official called "a robust message" that the Soviet Union should not believe it can drive wedges between allied nations with arms control offers.

Mr. Reagan is expected to reaffirm the United States' military commitment to its allies. NATO will endorse U.S. disarmament moves and announce preliminary steps toward East-West negotiations on conventional forces.

Many Europeans, and some U.S. congressmen, have called for NATO to name a commission of statesmen to recommend ways to

GENSCHER: New Signal for the Allies in NATO

(Continued from Page 1)

wise possessed considerable numerical superiority. Q. Should short-range nuclear forces be included in the talks on conventional stability? A. Consensus exists in the alliance on confining the conventional stability negotiations to conventional forces and armaments. Q. Does the West German government attach special importance to including short-range nuclear forces in the arms control process? A. Yes, because in these systems, too, the Warsaw Pact possesses a large superiority. NATO defined its disarmament objective on both U.S. and Soviet land-based short-range nuclear forces in the common arms-control concept adopted by foreign ministers at Reykjavik in mid-1987. We stick to that. Q. Does this also mean that decisions about modernization of short-range nuclear forces will be postponed until NATO has a new overall concept, which you call a "gesampt concept"? A. An isolated decision on the modernization of individual nuclear weapons systems is indeed out of the alliance's agenda. What we need now is a comprehensive Western concept about arms control. That should include this question: The demand for a comprehensive concept is, by the way, not a specific German concern, but a NATO one.

At Reykjavik, foreign ministers told their NATO representatives, working with the military authorities, to work out further development of the coherent and comprehensive arms-control concept that the ministers had adopted. In this brief, the ministers said that overall progress in arms control must be kept in mind along with the alliance's security requirements and strategy of deterrence.

Q. You are strongly committed to the early conclusion of a chemical weapons convention. Aren't you underestimating the difficulties of verification? A. We have been aware from the outset that verification in the field of chemical weapons gives rise to larger problems than in the case of missiles. This is not a new perception. For this reason, the West worked from the draft presented to the Geneva Conference on Disarmament in 1984 by Vice President George Bush and prepared a verification concept that is more stringent than anything previously agreed on. The only new development is that, after years of hesitation, the East has now essentially accepted Western ideas on verification. The details now must be worked out in Geneva.

SHULTZ: Sees Hussein in London

(Continued from Page 1)

The Jerusalem Post reported Tuesday that Mr. Shultz had proposed April 3.

The aide also confirmed that Mr. Shultz had been discussing the possible attendance at the opening session of the talks of all five permanent members of the United Nations Security Council: the United States, the Soviet Union, China, Britain and France.

Jordan and Syria insist that any peace talks be held under the auspices of the five Security Council members. But Mr. Shultz has steadfastly refused to accept this approach.

Mr. Shultz had sought a compromise by suggesting that the United States and Soviet Union serve as joint hosts for the opening session of a "nonauthoritative" international conference that would allow the parties directly concerned to move immediately to direct bilateral talks.

The tentative outlines of the Shultz plan call for initial talks on interim autonomy for the 1.5 million Palestinians living in the Israeli-occupied West Bank and Gaza Strip.

These talks on interim arrangements involving Israel, Jordan and the Palestinians would be followed by negotiations starting in December to determine the final status of the occupied territories, including the Syrian Golan Heights, that Syria would attend as well.

ARMENIA: Army to Stay in City

(Continued from Page 1)

disclosed the existence of disorders, or man-made, partly because it was unwilling to acknowledge imperfections.

The government has been more forthcoming with Western reporters in this case, but has still tightly restricted the flow of information to its own citizens, apparently concerned that the news from Azerbaijan and Armenia might alarm people and heighten nationalist tensions elsewhere.

The news about the deployment of troops in Sumgait, for example, was disclosed by Mr. Gerasimov at a briefing Tuesday for Soviet and foreign reporters. But the information was not broadcast on the television news Tuesday evening and was not included in a Tass news agency report of the briefing.

A Sumgait police official told the Reuters news agency that a curfew was in effect between 8 P.M. and 7 A.M. local time in the city, which lies in the heart of an important industrial area and is a key oil and natural gas center.

Unofficial reports from Baku said that the disturbances in Sumgait were touched off by reports Sunday that two Azerbaijanis had been killed, and others injured, in clashes with Armenians earlier in the month.

The two groups are divided by religion — the Armenians primarily Christian, the Azerbaijanis primarily Shiite Moslem — and by a history of conflict predating formation of the Soviet Union.

The recent spate of nationalist unrest in the region has centered on longstanding demands that a predominantly Armenian district within Azerbaijan, the Nagorno-Karabakh Autonomous Region, be attached to Armenia. Sumgait is about 150 miles (243 kilometers) northeast of Nagorno-Karabakh. Telephone links from Moscow to Nagorno-Karabakh were not functioning Tuesday, preventing Western reporters in Moscow from talking to officials in the region.

The demonstrations began on Feb. 13 in Stepanakert, then spread a week later to the Armenian capi-

DEATH NOTICE

BLACKMER, HENRY MYRON II
Died February 12, 1983 of cancer after a long illness borne with grace and courage.
Beloved brother of Sally Webster and Boswell Blackmer, uncle of Sarah Acker, Myron K. Blackmer, Margaret Blackmer and Lelli Black. Survived by his many friends, American and European.
Born August 12, 1923. Graduate of Yale University of Geneva. Served in U.S. Army World War II. After being associated with Dominick & Demwick he retired as manager of the Paris Office in 1963 in devote himself to archeological excavations in the Sudan and to form a distinguished library housed in Athens.
Contributions may be made to Benaki Museum, 1 Odos Koumbhari, Athens, 106 74, Greece.

Reagan Backs NATO Interests

New York Times Service

BRUSSELS — President Ronald Reagan, asserting that the INF Treaty had been made possible by allied military resolve, said Tuesday that the United States would never sacrifice NATO interests in exchange for an arms reduction accord with the Soviet Union.

"Arms reduction can only succeed if it is backed up by a strong defense," Mr. Reagan said after arriving for talks with other leaders of the North Atlantic Treaty Organization nations. The meeting Wednesday and Thursday is the first NATO summit conference in almost six years.

Mr. Reagan's remarks, while intended to strike a reassuring tone that is likely to characterize the summit conference, also illustrated the rifts and heightened apprehension in the alliance.



Charles McDougald, left, and a Filipino soldier in Manila.

TREASURE: Hoping for a Find

(Continued from Page 1)

known as the Tiger of Malaya. He plundered the Malayan peninsula during the Japanese occupation, was transferred to Manchuria near the end of the war, and ended up in the Philippines for 10 months. He was hanged as a war criminal in 1946.

Mr. McDougald said, however, that the gold his team was hunting was probably hidden out by Yamashita but by Japanese troops, over a period of three to four years.

In 1971, a Japanese in the mountain resort of Baguio, where Yamashita surrendered in September 1945, found a statue of Buddha with gold and jewels stashed inside.

Mr. Marcos confiscated the statue. The finder recently filed a \$60 billion suit in Honolulu seeking to get the booty back, with interest.

In 1975, Mr. Marcos hired four Americans to look for the treasure, including Robert Curtis, who is now president of Mr. McDougald's group. As Mr. McDougald tells the tale, Mr. Marcos turned against Mr. Curtis and the Americans, fearing for his life, burned maps locating 172 burial sites and fled to the United States.

Mr. McDougald said that Mr. Marcos sent a team to assassinate Mr. Curtis in 1978 but that Mr. Curtis went to the U.S. State Department with his story.

WORLD BRIEFS

Abductors to Put Marine on 'Trial'

BEIRUT (AP) — A kidnapped U.S. Marine officer serving with the United Nations in southern Lebanon will be put on "trial" for espionage crimes, his kidnappers announced in a statement released here Tuesday.

The statement in Arabic from the Organization of the Oppressed Earth was delivered to a Western news agency. It said the trial would begin once the interrogation of Lieutenant Colonel William R. Higgins, who was abducted Feb. 17, was completed. The abductors have charged that Colonel Higgins worked for the U.S. Central Intelligence Agency, which the United States and the United Nations have denied.

The statement said Israel's crackdown on Palestinians in the occupied territories and the Middle East trip of George P. Shultz, the U.S. secretary of state, "make us more determined to try this criminal."

Electoral Assembly Opens in Jakarta

JAKARTA (NYT) — An assembly created to elect the next president and vice president of Indonesia opened an 11-day session here Tuesday. At the same time, the cabinet that served President Suharto for five years was dissolved, opening the way to improved ministerial changes.

Mr. Suharto, 66, the only candidate for the top job, is virtually certain to remain in office for another term. But Vice President Umar Wirahadikusumah is expected to be replaced. The new vice presidential nominee will be named by Mr. Suharto within the next few days, but will be regarded as the president's choice as an immediate successor.

Many Indonesians believe that Mr. Suharto will name his chief of staff State Secretary Sudharmono, to the vice presidency.

Hanoi Relaxes Travel Prohibitions

BANGKOK (UPI) — The Vietnamese government has loosened regulations on travel abroad for its citizens, allowing them to leave for reasons including tourism, education, visits to relatives, and marriage, Radio Vietnam said Tuesday.

The broadcast quoted a Council of Ministers decision of Feb. 25 saying that "travel abroad, for specific periods of time, to attend personal business" was a "legitimate wish." Vietnamese wanting to visit foreign countries must go on tours organized by a Vietnamese tourist agency.

The policy decision listed 13 categories of people who are not to be allowed overseas. These include those "currently engaged in activity against the Vietnamese revolution, sabotaging peace, or opposing the country in the socialist community."

4 Libya Jets Reported to Fly to Egypt

CAIRO (AP) — Four Libyan jet fighters landed Tuesday at an Egyptian airfield, the Middle East News Agency reported.

The report, quoting a reliable source, did not say where the planes landed. It said the planes were Soviet-made MiG-23s, but added nothing about the crews and gave no indication of whether they had requested asylum.

A Libyan military transport plane and two military helicopters landed during a five-month period last year, and crew members requested they be granted political asylum.

French Drop TV Plan for Swaggart

PARIS (HT) — The Reverend Jimmy Swaggart's fall from grace prevented him from buying space to preach on a main French television channel.

Bochko Givodanovich, publicity director of the private TF1 channel said negotiations to broadcast the Swaggart show had been broken off "for obvious reasons." A spokesman for Mr. Swaggart's Assemblies of God organization in Baton Rouge, Louisiana, declined to comment. The spokesman said the church was pledged to silence following Mr. Swaggart's public confession Feb. 20 of dalliance with a prostitute.

The daily Le Monde said the Swaggart organization had agreed to pay the channel 16 million francs (\$2.8 million) to put the preacher on the air in a late time slot once a week.

TRAVEL UPDATE

Virgin Atlantic Seeks 2 U.S. Routes

LONDON (AP) — Virgin Atlantic Airways will seek U.S. approval to begin flights this year to Los Angeles and to John F. Kennedy Airport in New York, the company's chairman, Richard Branson, said Tuesday.

The low-fare airline now flies from Gatwick Airport in London to Newark, New Jersey, and Miami.

Florida Service Is Seen for Alitalia

TALLAHASSEE, Florida (AP) — Governor Bob Martinez plans to help Alitalia, the Italian state airline, gain a Florida route for direct access to the state's tourism business.

"We will work as hard as we can to open up a gateway in Florida," Mr. Martinez, who returned last Friday from a two-week trade mission to Europe, said Monday. "Alitalia has indicated its No. 1 priority is to fly into Miami."

Singapore Airlines will begin service between South Korea and Canada in July, the company said Tuesday. The twice-weekly service between Seoul and Vancouver, British Columbia, will be Singapore Airlines' first in Canada. Air Canada, which had been operating the sole direct service to Singapore, and Singapore Airlines were given rights to fly Pacific Atlantic routes between Singapore and Canada.

The world's longest road-rail bridge, linking Japan's main island of Honshu with Shikoku, will open April 10, officials said. The double-deck bridge spans the Inland Sea, touching five small islands. It is 23 miles (37 kilometers) long. Toll charges for cars will be 6,300 yen (\$50). (Reuters)

The French top operator Le Point-Mulhouse filed for bankruptcy Tuesday three days after local authorities suspended its activities, court sources said. An administrator was appointed to report on the state of business and recommend either saving the nonprofit association of liquidating the group, which lost 20 million francs (\$3.4 million) and arranged tours for 260,000 people last year. (AP)

SCHWEITZER: Loyal Patients

(Continued from Page 1)

European doctors and nurses, and a 1964 Physicians' Desk Reference that is spotted with mold after a quarter-century in the tropics.

The doctor's cabin was reopened last year as a museum after a \$200,000 restoration.

From a writing table in one room, Schweitzer sent his philosophy to the outside world. The doctor, who was also a theologian, summed up his world view with the phrase "reverence for life."

This humanist ethic touched a chord in a world traumatized by Nazism and the threat of nuclear war. In 1953, Schweitzer was awarded the Nobel Peace Prize.

The hospital, widely publicized in the 1950s, served as an example for the privately financed aid organizations that mushroomed in Africa in the 1960s and 1970s. Today the hospital finds itself competing in a crowded field for charitable contributions from Europe and the United States. American contributions have dwindled to \$10,000 a year.

Patient fees defray only about 10 percent of the hospital's \$2.3 million annual budget. A small amount of money is raised here from the sales of curies to tourists; soapstone statues carved by legend and "Albert Schweitzer Hospital" souvenir shirts.

The hospital's budget is stretched further by staffing costs. European doctors and nurses donate their services in return for round-trip airline tickets and room and board.

CURB: Pretoria Would Limit Aid

(Continued from Page 1)

the vehicle for "reform," and anyone else who tries to play a role is seen as an enemy of the National Party," Mr. Mitchell said. The National Party is the governing party.

The measure was introduced in Parliament by Justice Minister Hendrik J. Coetsee, who said that donations from abroad to certain organizations were like "petrol on a fire."

The measure would empower Mr. Coetsee to declare groups or individuals who receive money from abroad as "restricted," in which case funds received would be impounded.

Funds proven to be earmarked for nonpolitical use would be released, while all other funds would source or dealt with at the minister's discretion.

The U.S. aid programs most vulnerable to the new legislation, diplomatic sources said, would be those channeling funds to human rights programs intended to help the victims of apartheid.

These include programs that help pay the legal fees of political activists charged with political crimes; the underwriting of efforts to assist children and others detained without charge; the payment of legal actions that have challenged the state of emergency; and projects to organize communities and train local black leaders.

17 Feared Dead in Crash
A turbo-prop passenger plane or a domestic flight from the north-eastern mining town of Philipsburg to Johannesburg exploded in flight and crashed Tuesday near Johannesburg, and all 17 people aboard were feared dead, Reuters reported from Johannesburg.

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RAFFAÏN & HONORÉ
The American grill with more than 100 dishes...
PARIS 6th
L'AKVAVIT
15 rue Daubigny...
PARIS 7th
THOUVENIN
Specialties of the South-West...
PARIS 8th
LUDMILA PAVILLON RUSSE
Delicious Russian cuisine...
ALU MANDARIN
100 Av. Champs-Élysées...
PARIS 16th
LE PRESBOURG
Treasures of the sea, Scallops, fish, crayfish...

PARIS 16th
A TRUE VIETNAMESE RESTAURANT
LE MOI
M.S.G. (GIU/AMATE) from Cochinchina...
PARIS 17th
GOLDENBERG WAGRAM
Smalls hearings - Pastries - Cream cheese...
NEULLY
ASHIANA
Indian grill...
LA CHEVAUCHEE
Spanish tapas and traditional cooking...
DUSSELDORF
The finest traditional Chinese cuisine
PARIS 7th
THE YANG
Immaculate...
LONDON
THE SHAKER
BAR RESTAURANT AND VIETNAMESE CUISINE...
KERVANSARAY
Turkish & Levantine specialties...
VIENNA
BLACKMER, HENRY MYRON II
Died February 12, 1983 of cancer after a long illness borne with grace and courage...

Handwritten signature or name at the bottom of the page.

هنا من اجل

BRIEFS

Marine on 'Trial'

J.S. Marine officer serving... will be put on 'trial' for... statement released here...

Opens in Jakarta

Created to elect the next... 11-day session here... President Suharto for...

Vel Prohibition

Thames government has... citizens, allowing them to... visits to relatives, and...

ted to Fly to Egypt

Jet fighters landed Tuesday... News Agency reported... source, said they were...

lan for Swaggart

enny Swaggart's fall from... speech on a main French...

UPDATE

ks 2 U.S. Routes

ie Airways will seek U.S. ... and John F. Kennedy ... Richard Branson, and...

Seen for Alitalia

Governor Bob Martinez... open a Florida route for... go to open up a gateway... day from a two-week...

R: Loyal Patie

izations that must... on in the 1960s and... the hospital fund... is a crowded field...

Melbourne Visit

Out for Wales

The Associated Press... WARSAW — A government... spokesman said Tuesday...

Would Limit

available to the new... domestic sources... show channeling...

17 Feared Dead

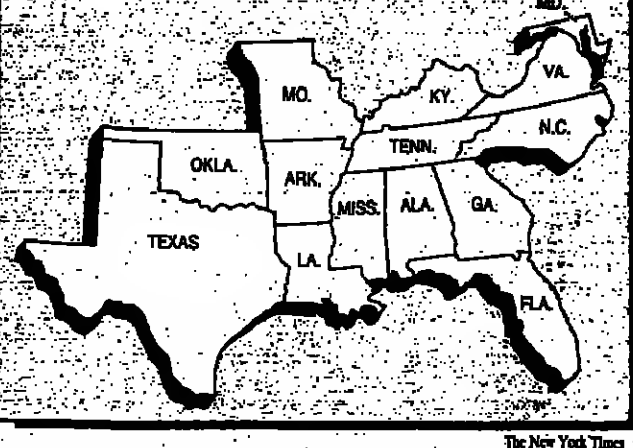
A turbulent... domestic flight... concern among...

Top Democrats Question 'Super Tuesday' Impact

By E.J. Dionne Jr. New York Times Service

WILLIAMSBURG, Virginia — The architects of the big round of Southern primaries next week defend their creation, but some of the leading politicians in the region say they fear the event will prove disappointing and have limited impact on the Democratic Party.

Southern and Border States That Will Vote on March 8



The New York Times

Senator John B. Breaux, a Louisiana Democrat, said all the party's candidates had learned to "speak Southern" and had built support among elected officials in the South.

Charles S. Robb, a former governor of Virginia, said the Southern primaries had "forced the candidates to look beyond the narrow spectrum of what is ideologically permissible in Iowa."

But several politicians said they were worried that voter participation in the voting Tuesday could prove disappointingly low.

had about a relatively unknown field of candidates.

"The paid media have more influence on this election than on any election in a long time," he said.

With polls suggesting that the verdict could be so split that the South's influence on the choice of a Democratic nominee would be minimal, some of the party's leading Southerners were considering a coordinated endorsement of a single candidate.

Mr. Robb and Mr. Nunn said they might make public their preference later this week.

The most likely beneficiary of their endorsement, if it happens, would be Senator Albert Gore Jr. of Tennessee, Mr. Nunn said, however, that he also was considering supporting Representative Richard A. Gephardt of Missouri.

The Southern primaries were created in reaction to the overwhelming defeat of former Vice President Walter F. Mondale by President Ronald Reagan in the 1984 election. Democrats in the South argued that the nominating process had given their region a muted voice, while amplifying the influence of liberals in other parts of the country, notably Iowa.

But at least one highly plausible outcome of the voting Tuesday would be the worst of all possible worlds for the Southern moderates and conservatives who organized it. Under this scenario, the voting could give a major lift to the Reverend Jesse L. Jackson, whose views are well to the left of the politicians at the meeting in Williamsburg.

On the other hand, Mr. Gore, the only candidate who lives in the South, could be eliminated from the race by a poor showing.

But Mr. Breaux and other defenders of the voting said its original purpose was neither to guarantee the nomination of a Southerner nor to have the South play the decisive role in the nominating process.

It is not clear, however, that the Southern primaries and caucuses have promoted the kind of moderation that more conservative Demo-

crats who sought closer ties between their party and business had in mind. Mr. Gephardt, who is a founding member of the Democratic Leadership Council and once was known as a centrist, has gained ground not by pursuing moderation but by fiery oratory attacking U.S. trading partners and large corporations.

Still, Mr. Clinton argued that "the looming presence of the South conditioned the dialogue in the early primaries" and kept the candidates from making statements that "would have knocked them out of the ball game" in the general election in November.

Mr. Robb said that because of the Southern primaries, the candidates for the Democratic presidential nomination this year were proving more prudent than the party's candidates in 1984.

"If you look at the totality of the rhetorical barrage in both elections," Mr. Robb said, "there is less emphasis this time on the kinds of statements that cause problems."

U.S. Court Gets Drug Test Case

United Press International WASHINGTON — The Supreme Court has agreed to decide the constitutionality of a drug-testing program at the Customs Service. The case could determine the legality of widespread drug testing in the workplace.

The justices will hear arguments next term in an appeal by the National Treasury Employees Union of a lower court ruling that upheld use of the tests for job applicants or employees up for promotion.

More than 3,000 have been tested for drug use since the Customs Service program began in June 1986. Five of them tested positive.

In its appeal to the Supreme Court, the union, which represents 9,000 customs workers, said that the program amounted to an unreasonable search and seizure prohibited by the Fourth Amendment.

Reagan Aide Assails Press Query on Bush

By Eleanor Randolph Washington Post Service

WASHINGTON — A letter from a co-author of Jack Anderson's investigative newspaper column, asking current and former Reagan cabinet members to assess George Bush as vice president, has drawn a stinging response from a cabinet member.

Education Secretary William J. Bennett, who released his response to the news media, challenged the assertion of Dale van Atta, the Anderson co-author, that Mr. Bush is "a mystery to the voters."

"This is nonsense," Mr. Bennett responded in a letter. "The public is quite capable of deciding what kind of president George Bush would be without the aid of yet one more column based on a few selected and, it appears, perhaps unattributed remarks."

Mr. van Atta's letter asked 34 officials for assessments of how Mr. Bush operates in cabinet meetings. The syndicated columnist offered anonymity to those who requested it.

Trade Bill Needs to Be Toned Down, U.S. Business and Farm Groups Say

By John Burgess Washington Post Service

WASHINGTON — An alliance of U.S. business and farm organizations has called on Congress to tone down a bill that is nearing a final vote, saying it could touch off a cycle of retaliation that would worsen U.S. economic troubles.

The healthy growth in U.S. exports in recent months is the key to reversing the country's trade deficit, members of the alliance, the Pro Trade Group, said at a news conference Monday. They said the bill as worded could cut deeply into that growth by prompting angry foreign responses.

"We are very anxious that Congress avoid the kind of legislation that would legitimize countries closing the markets where our exports are penetrating," said William Lilly 3d, president of the American Business Conference.

Timothy L. Elder, manager of governmental affairs for the construction equipment maker Caterpillar Inc., said his company was experiencing a boom in foreign sales and had added 2,200 jobs at U.S. plants in six months.

He said at the news conference that the Pro Trade Group questioned whether "now is the time to change the rules of the game."

U.S. companies that sell foreign goods and those that rely on foreign suppliers for manufacturing components are also active in the group. They fear the bill would disrupt the flow of imports they need to prosper and, in some cases, to produce goods for export.

The bill, now in conference between the House of Representatives and the Senate, would broaden White House authority to tighten penalties for trade practices perceived as unfair, and, in some cases, require retaliation against offending countries. With trade a major issue in the presidential race, the bill is receiving broad support.

One of the Democratic candidates, Representative Richard A. Gephardt of Missouri, sponsored an amendment to the House bill that could require retaliation against some of the United States' leading trade partners.

Critics contend that however politically appealing action of this sort might be, unfair practices are not the real issue. By most estimates, they note, only a small amount of the total U.S. trade deficit, which was \$159 billion in 1987, is traceable to such practices.

The bill, they say, could spark a storm of litigation in the United States that could paralyze trade and good governments into action against U.S. goods in their markets.

That would cut into U.S. exports, which, with the aid of the dollar's decline, rose 12.2 percent in real terms in 1987. It would also impede the flow of needed imports to the United States.

Even U.S.-made steel is selling better abroad these days. The American Iron and Steel Institute recently reported that exports of steel mill products rose to 1.13 million tons in 1987 from 929,000 in 1986.

The National Grange, an agricultural organization active in the Pro Trade Group, argues that the bill could disrupt farm sales, one of the few sectors in which the United States has continued to export more than it imports.

The Pro Trade Group praised elements of the bill that would increase negotiating authority in international talks, promote exports and tighten protection of U.S. patents and copyrights in foreign countries.

Also active in the group are the National Foreign Trade Council, the Computer and Business Equipment Manufacturers Association, the National Automobile Dealers Association, Consumers for World Trade, the National Association of Stevedores, the American Association of Exporters and Importers, and companies including IBM Corp., Boeing Co., J.C. Penney Co. and Sears, Roebuck & Co.

Asia Development Discussed

The Associated Press

KUALA LUMPUR, Malaysia — More than 50 Asian lawmakers on Monday began their fourth annual conference on population and development in the region, and opening remarks indicated wide differences among participants.

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OPINION

INTERNATIONAL Herald Tribune

Middle East Movement

George Shultz is giving the Reagan administration's new Middle East peace initiative its first international airing. The initiative is an invitation to a proceeding that at this stage is to unfold under American aegis, not under the American-Soviet sponsorship foreseen in the now sidetracked proposal for an international conference.

For a Drugs Doctrine

The headlines send new shivers over drugs: The growing influence of the narcotics in Panama and other Latin American capitals translates directly into the cold-blooded killing of Edward Byrne, a young New York City police officer on a street taken over by crack dealers.

More Than Just Medals

With all that gliding, whirling, soaring and careering down icy inclines, the Winter Olympics offered a stunning vision of what athletically gifted people can do when they are freed of certain earthly constraints.

Other Comment

Mushroom Cloud Over Minsk
Pretty well everybody in Europe now agrees that the U.S. long-range nuclear force is an indispensable component of the guarding of Europe. The trouble is that for America to say it will blow Russia's head off if it steps across the line in Europe may not impress the Russians, or the Europeans, if Russia can then do the same to America's head.

NATO: Seeing, Hearing and Speaking No Conflict

By Jim Hoagland

BRUSSELS — This week's NATO summit meeting should have been the birthplace of a new Western strategy for responding to the diplomatic offensives of the Soviet leader, Mikhail Gorbachev.

As seen from the White House, the summit meeting will serve as a valedictory celebration of Ronald Reagan's leadership in U.S.-European affairs. The gathering may give an added boost for the president in the Senate debate over ratification of the arms control treaty he signed with Mr. Gorbachev in December.

Grand politics, rather than grand strategy, is the order of the day as the summit opens.

final communiqués are already agreed upon and reduced to vague generalities before Wednesday's opening session, minimizing the risk of an intensive debate on a more coordinated alliance strategy for dealing with Mr. Gorbachev.

the Reagan-Gorbachev treaty creates for NATO strategy. And Mr. Reagan is likely to leave Brussels on Thursday without hearing the unpleasant news that there has been a sharp erosion of European confidence in U.S. leadership in defense cooperation during his presidency.

been increasingly unsettled by the strong streak of unilateralism that runs through his more recent initiatives. They cite his "star wars" plan for a space shield to protect the United States from Soviet missiles, his surprising willingness to bargain away nuclear deterrence at the Reykjavik summit meeting without consulting with European leaders, and the way the INF Treaty was negotiated over their heads.

This pattern of American disregard for European interests has spurred the most serious discussion of European defense cooperation since the 1950s, with France and West Germany drawing up plans for experimental joint units and France and Britain gingerly beginning to discuss nuclear strategy.

Less America in Europe Should Mean More Europe in NATO

By Dominique Moisi

PARIS — By forcefully outlining his opposition to NATO's modernization on the eve of the alliance's summit meeting in Brussels, President François Mitterrand is performing a delicate balancing act between East and West. He will attend the Brussels meeting, but as a dissonant voice within the alliance, and within France.

1960s. The prevailing cacophony reflects Europe's difficulties in adjusting to an international system as it enters a new phase. It is time for Europeans to behave as responsible adults. Their postwar adolescence, under American protection, is over. Less "America" in Europe should spell more Europe.

nuclear power outside of NATO: West Germany is a nonnuclear power within NATO. West Germany is not about to become nuclear. Nor is France about to return to the integrated military body of NATO.

matism and flexibility if this is to work. Once the presidential election is over, France could, for example, return to the NATO planning group, a symbolic gesture that would prove a new French concern for the sensitivities of other Europeans, who have never fully accepted France's self-proclaimed "specificity."

The World Bank Reaps Trouble

By Nicholas N. Eberstadt

WASHINGTON — The World Bank, originally established to help rebuild postwar Europe, and a major source of development aid to Third World governments, is now creating a new role for itself: that of central manager and negotiator in the continuing "Third World debt crisis."

banks have had their credit ratings lowered, in part because of their loan exposure in the Third World. In the view of investors, lending money to these banks has become riskier — in some cases, significantly so. Yet none of these private banks has anything like the exposure of the World Bank.

The largest borrower from the bank is Brazil. Despite recent promises to talk about repayment, the Brazilian government has suspended repayment on nearly \$70 billion of its foreign debt to private creditors. Brazilian officials reportedly told the World Bank that Brazil will default on its bank debt unless the bank keeps lending more to Brazil than it must repay to the bank.

Sending Plutonium to Japan Is Risky

By Mel Levine and Howard Wolfe

Mr. Levine, a California Democrat, and Mr. Wolfe, a Michigan Democrat, are members of the Foreign Affairs Committee of the House of Representatives. They reply here to an article (HTJ, October, Feb. 22) by Gerard C. Smith, a former director of the U.S. Arms Control and Disarmament Agency.

WASHINGTON — Gerard C. Smith entirely misses the point of congressional objections to the unprecedented U.S. nuclear cooperation agreement with Japan. Most members of Congress agree that a new nuclear agreement with Japan with improved nonproliferation controls is a desirable goal. There is little argument that preventing the spread of nuclear weapons to new nations or to terrorists must be one of our highest national priorities in this vastly dangerous nuclear age.

nuclear weapons; hence the Defense Department's objections. Congress is also deeply concerned about the agreement's provisions permitting the air shipment of tons of plutonium over the United States. Casks under development for these shipments have repeatedly failed simulated crash tests, raising the possibility of catastrophic environmental damage if anything should go wrong.

Concern about these serious deficiencies led bipartisan majorities of both the Senate Foreign Relations Committee and the House Foreign Affairs Committee to object to the agreement in its current form and to request its renegotiation. Congressional skepticism regarding this agreement should not call into question congressional support for nuclear commerce with Japan.



effect, as lender of last resort — financing only deadbeat governments. The World Bank's leadership is well aware of these risks. It is attempting to finess the bank's problems through its request for the general capital increase. With the near doubling of World Bank loan authority now being proposed, more loans could be extended to the Brazils and the Argentinas of the portfolio. A pretense of repayment could thus be effected. The bank's creditworthiness could be maintained, and the bank could continue to operate as usual for at least a few more years.

100, 75 AND 50 YEARS AGO

- 1888: Less Irish Crime
DUBLIN — Justice Gibson, addressing the County Limerick Grand Jury [on March 1], said there was marked decrease in crime. Cases of boyroving had decreased from 329 in June 1887 to 60 at the present Assizes. At the same time there was evidence of agrarian disorder, injury to cattle and malicious injury to property. He hoped, however, that the improvement would continue.
1938: D'Annunzio Dies
ROME — Gabriele D'Annunzio, the soldier-poet of Italy, died [on March 1] of a cerebral hemorrhage at Gardone. He would have been 75 this month. One of the most eccentric personalities of his time, D'Annunzio was a poet and a politician, a dramatist and a man of action. Obsessed by self-assertion, D'Annunzio swayed a whole army and a whole people. He might have become dictator, not only of Fiume but of Italy. Yet he lived to see his star dimmed by the rise of Benito Mussolini. He left a vast amount of literary work. His best-known dramas are: "The Dead City," "Giocanda," "The Daughter of Jorio," and "The Ship." His most famous love was Eleonora Duse, the actress. The Duse virtually gave up her life for him, appearing only in plays he wrote for a period.
1913: Germany's Navy
BERLIN — The Reichstag began [on March 1] the discussion of the budget of Admiral von Tirpitz, Secretary of State for the Navy, Herr Wogner, a Socialist deputy, declared: "At a moment when everything is favorable for an understanding with Great Britain, irresponsible circles are dragging the German government further and further into the abyss of armaments... The inevitable outcome of this situation will be revolution or war." Herr Erzberger, of the Centrum party, declared that his party would give a country a powerful navy.

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OPINION

Conflict 'Told You So' in Advance of Not-So-Super Tuesday

Where President François Mitterrand is reopening the old quarrel with flexible responses...

By David S. Broder

Atlanta — It was such a plausible idea: Put all the Southern states on a single date early in the presidential primary calendar...

many others have warned that the strategy was seriously misconceived. If the thought was — as such Super Tuesday proponents as former Governor Charles Robb of Virginia said — to free candidates from the influence of the liberal special interests...

Two and a half years ago, when Democratic leaders of the Southern Legislative Conference, backed by several of the region's key governors, began the drive to have all of the Southern delegates chosen on the same date in 1988...



Does Venitia Eat Pizza?

By Edward Planer

LONDON — I am helplessly in love with English women. Well, not with the women themselves, but with their names.

MEANWHILE

the cold newsprint like Wordsworth's golden daffodils, a brilliant field of names all of which seem to end in the letter A.

Taking Jackson for Granted Is Insulting

By A. M. Rosenthal

Atlanta — For two days, the South was a political supermarket, all the goods neatly spread out, ready for comparison shopping.

assume that The other candidates are forever having at each other, hoping their attacks will pull away voters who support their opponents.

ve in NATO

ing out of the hotel, a bell captain asked whether I had a favorite candidate. I said I had a favorite candidate. I said I had a favorite candidate.



Mr. Jackson is by far the best speaker of the bunch, Democrat or Republican. In Atlanta, as everywhere, when Jesse Jackson talks about drugs of the poor or the homeless, out comes not only passion but the fingerprint sensitivity of real knowledge.

LETTERS TO THE EDITOR

A Test of French Consensus

The crucial question not considered by Joseph Fitchett, in his report "Quietly, France Boosts NATO Cooperation" (Feb. 19), is whether France's longstanding domestic defense consensus can be maintained through the changes now anticipated in the nation's security posture.

What Simon Says, in Print

Regarding "We Know They Can Talk; Can They Write?" (Feb. 24): Ladd Hamilton asks whether the presidential candidates can write. Well, one of them certainly can.

Playing to the Crowd

The Washington Post editorial "In Their German Way" (Feb. 13) ducks the real question: Why did America put the Germans in this spot anyway?

Bigotry and Bad Logic

Regarding "Potholes in the Fast Lane but No Wolves at the Door" (Meanwhile, Feb. 23) by Howard Fast:

The Vatican Factor

While Pope John Paul II ("John Paul Centuries Cold War," Feb. 20) is correct about what is happening between East and West in terms of Third World aid, he needs look no further than his own backyard for a third factor: the Roman Catholic Church.

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AMERICAN TOPICS

Pupils Performing In Simplified Classics

Over the past two years Annabelle Howard, a British-educated primary school teacher, and her husband, Forrest Stone, a writer in residence at Kean College in Union, New Jersey, have supervised the adaptation of 17 plays, among them "Antigone," "The Importance of Being Earnest" and "Julius Caesar," for performance in school by the children themselves. Their program, Classic Theater for Schools, is now used in 38 states, The New York Times reports.

Plots and language are simplified so they can be performed in one class period by children 8 to 16 years old. For writers on the project, altering the plays can be excruciating. "You're editing and rewriting a masterpiece," said Suzanne Musiacich, who adapted "Cyrano de Bergerac." "You don't want to cut any of the words because they're so beautiful."

The revised versions, however, do not purport to substitute for the originals, said Ms. Musiacich, but merely to serve as an introduction and inspire students to learn more later. "The idea is to get the main message across," she said. During rehearsal, a copy of the original play is always on hand.

The ethical scope of the plays takes them beyond mere make-believe. "This isn't 'I'm a tree and let's giggle,'" Mr. Stone said.

A set of play booklets contains phonetic spellings, costume and prop ideas, and diagrams suggesting where actors should stand and how to turn the classroom into a stage set. A classroom kit costs about \$100 from Classic Theater for Schools Publishers, 225 West 83rd St., Suite 11A, New York, N.Y. 10024, U.S.A.

Short Takes

It is too early to tell whether this year's maple syrup season will be as bad as the last two, when production fell to as low as 30 percent of normal because of early warm weather. Sparse output has driven prices as high as \$43 a gallon (\$11 a liter), nearly double the 1985 price. And the high price has prompted more people to tap more trees. Stephen Taylor, New Hampshire agricultural commissioner, says, "Sales of equipment and tubing indicate a lot more people are getting in this year." He says



John Shell/The Associated Press

BUS STOP — William Bonet, a bus passenger, holding Leon Reddick, a robbery suspect, in a full nelson while awaiting police in Camden, New Jersey. The authorities said Mr. Reddick tried to rob a bus driver of \$33 but was thrown into the windshield when she slammed on the brakes. Mr. Bonet then seized Mr. Reddick and held on until the police arrived.

prices will remain high for a while, regardless of how good this season is, because stocks from last season are low.

A recent survey that showed college freshmen more interested in being well off financially than in developing a meaningful philosophy of life drew a letter to The New York Times from Merrill Orne Young, a faculty member at St. Lawrence University in Canton, New York, saying that all the students interviewed by the writer in 1977 "said at some point in the conversation, 'Of course, I could always get a job like my father's.'" For in those days "money was nothing to be concerned about; it was practically lying in the streets. Since 1977 what I hear is deepening doubt about the chances of this generation to get jobs as good as their fathers'. The rising trend has not been in materialism, but in pessimism."

The advertising budgets for some films can rival the cost of the films themselves, MGM expects to spend \$10 million on marketing "Moonstruck," which cost \$11 million to make. Last year Disney spent \$3.9 million to advertise the re-release of "Snow White," a film it made in 1937 for \$1.5 million.

A bow-tie contest has been held once a year for the past four years by the Manhattan law firm of Winthrop, Stimson, Putnam & Roberts. Partners, associates and other employees of either gender are asked to wear bow ties to work. This year the Bow Tie Day committee specified two awards, for the most sedate tie, and for the tie "most in need of sedation." Winners get a free beer each.

Arthur Higbee

Prophetic 1968 Warning: A Racial Chasm in U.S.

By Barbara Vobejda
Washington Post Service
RACINE, Wisconsin — The warning was urgent and unambiguous: "Our nation is moving toward two societies, one black, one white — separate and unequal."

Accompanying that pronouncement, issued March 1, 1968, by the National Advisory Commission on Civil Disorders, known as the Kerner Commission, was a call to action, imbued with a grand sense of possibility. The racial chasm illustrated so graphically by widespread U.S. urban riots the previous summer could be bridged, the panel said, by a change in attitudes and the commitment "of the most powerful and richest nation on this earth."

On Monday, a group of experts on race and urban affairs, some of whom had worked on the Kerner Commission report, said that the problems the commission set out to erase two decades ago persist. While great strides have been made in some areas of race relations, the plight of poor, inner-city blacks, they concluded, is more dismal now than it was 20 years ago.

"The Kerner report warning is coming true," the group said in its update. "America is again becoming two separate societies."

Tearing the nation today, the new document said, are "quiet riots" in the form of unemployment, poverty, crime, and segregation in housing and schools. "These quiet riots are not as noticeable to outsiders," it said, adding, however, that "they are more destructive of human life than the violent riots of 20 years ago."

Much like their counterparts two decades ago, members of the group called for job and housing programs and urged that affirmative action be enforced and the minimum wage be raised.

The panelists, organized by former Senator Fred R. Harris, Democrat of Oklahoma, one of the original commission's 11 members, spent the weekend assessing the state of black America on the 20th anniversary of the landmark report. They pointed to gains, primarily the emergence of a black middle class, the election of black political leaders, and the integration of police forces, newsrooms, corporate offices and other previously segregated workplaces.

But those improvements, they argued, have been overwhelmed by problems that have grown more in-

tractable: the increasing concentration of poverty in an isolated, urban underclass from which it is increasingly difficult to escape.

Moreover, the gap between the rich and the poor has widened, and

kins, executive director of the National Association for the Advancement of Colored People, and former Senator Edward W. Brooke, Republican of Massachusetts. The group operated in an atmo-

sphere of national trauma, brought on by devastating riots in Detroit and other northern cities. It toured the burned-out communities and worked feverishly to produce a 400-page report months ahead of schedule, trying to head off what was feared would be another long, hot summer of riots.

'Even the most pessimistic observers of the social scene in the late 1960s probably did not foresee or anticipate the sharp increases in the rates of social dislocation and the massive breakdown of social institutions in ghetto areas.'

William J. Wilson, University of Chicago sociologist

difficulties previously associated with blacks now extend to many Hispanics, they said.

"We're disappointed now, 20 years after Kerner, because the country isn't as different as we thought it would be," said Roger W. Wilkins, assistant U.S. attorney general at the time of the commission report and now a professor at George Mason University.

Ironically, Mr. Wilson said, one of society's gains has created a new problem: the migration of middle-class blacks out of the inner city has left those areas without role models, economically and socially segregated and devoid of stabilizing influences, such as strong churches, schools and businesses.

The commission, appointed by President Lyndon B. Johnson, got its name from its chairman, the governor of Illinois, Otto Kerner. Its members included Mayor John V. Lindsay of New York; Roy Wil-

son, executive director of the National Association for the Advancement of Colored People, and former Senator Edward W. Brooke, Republican of Massachusetts. The group operated in an atmo-

sphere of national trauma, brought on by devastating riots in Detroit and other northern cities. It toured the burned-out communities and worked feverishly to produce a 400-page report months ahead of schedule, trying to head off what was feared would be another long, hot summer of riots.

The group met last weekend at a retreat on Lake Michigan, and there was more agreement than there was on the Kerner Commission. And this time, it was an intellectual exercise, less urgent and removed from crisis.

But for some who attended, the exercise was more sobering than their work on the presidential panel — the sense of promise dulled by two decades of experience.

While civil rights legislation and Great Society programs enabled middle- and working-class families to leave the inner cities, their departure, in combination with economic and other factors, has created urban ghettos far worse than those of the late 1960s, Mr. Wilson said.

Greg J. Duncan, program director at the University of Michigan's Survey Research Center, presented evidence of another troubling development, an increase in the "per-

sistence" of poverty, particularly among blacks. In the late 1960s, he said, about 35 percent of the urban poor were found to escape poverty the following year. But that figure is now about 25 percent, he said, an

indication that the prospect of long-term poverty has increased. In part, he said, this is a result of economic conditions, the loss of jobs available to unskilled workers, for example. But it is also due to a "deepening" of poverty. In 1970, half of those in poverty were very poor, or lived on incomes at three-quarters of the poverty line. By 1983, according to Mr. Duncan, 63 percent of the poor were living that deeply in poverty.

Such research, argued Donna Shalala, chancellor of the University of Wisconsin-Madison, permits a much more sophisticated understanding of race and poverty than was possible 20 years ago.

"The problem of the Kerner Commission was that it was too focused on blacks," she said. "What we have now, it's not two worlds, one white and one black. It may be two or three worlds," including the long-term poor, the working poor and those who have escaped poverty. Minority groups and whites cross over each of those divisions, she said.

"To pretend that nothing has happened in 20 years is just dead wrong," she said.

The document written by Mr. Harris and adopted by the partici-

pants recommends primarily legislative action, greater spending for social programs, economic development and tax reform to help the working poor.

"Most of what we bring haven't tried hard enough."

One of the most controversial findings of the 1968 report was conclusion that the exploding social strife was the result not of conspiracy, as many suspected, of deeply imbedded racism.

While there was consensus Wisconsin that racism still remains a critical national problem, there was less agreement over its importance.

"Racism is no longer the issue," said Ronald Mincy, a visiting scholar at the Urban Institute, citing the growth of the black middle class. "There is something more complex going on."

He urged that the issue be generalized beyond race, so that proposals could be aimed at poverty and the underclass, regardless of race.

But Gary Orfield, a professor at the University of Chicago, agreed. "We can't just deal with economic conditions. We must deal with the racial conditions in inner cities."

Continuing discrimination, said, is largely to blame for social residential segregation that remains in the cities studied by the commission. And housing patterns lead to school segregation and equal services, he said.

The panelists were clearly pro of the work done 20 years ago. The tone this time was not celebratory.

"If we don't do anything here but tell people there's a lot more work to be done, we would be doing something," Professor Wilkins said.

Waldheim Linked to Deportations

The Associated Press
NEW YORK — While serving in the German Army, Kurt Waldheim forwarded a request for the mass deportation of Greek civilians to labor camps in 1943, according to a German document.

The authenticity of the document, found in the U.S. National Archives and made public in New York Monday, was confirmed by John Russell, a Justice Department spokesman.

He said it was among documents on which the government based its decision to place Mr. Waldheim, now the president of Austria and formerly secretary-general of the United Nations, on a list barring him from entering the United States.

Under the Nuremberg Charter adopted at the end of the war, deportation of civilians is both a war crime and a crime against humanity.

When the Justice Department barred Mr. Waldheim from the United States, it said he had "assisted or otherwise participated" in "mass deportation of civilians."

Mr. Waldheim has declared that he is innocent of war crimes.

Gerold Christian, Mr. Waldheim's spokesman, said he had no comment on the document, which is a message between German Army officers in the Balkans in 1943.

Mr. Waldheim at that time was a lieutenant serving as deputy opera-

tions officer of the German General Staff, attached to the 11th Italian Army in Athens.

The World Jewish Congress said Mr. Waldheim did not authorize the deportation of Greeks to labor camps in Germany but that he was aware of the plan.

The document apparently has been used before, according to Manfred Messerschmidt, a West German historian who was a member of an international commission that investigated Mr. Waldheim's World War II record.

The historians' commission and a report published last year by Mr. Waldheim's aides both reviewed what seems to be the same document, Mr. Messerschmidt said.

U.S. to Postpone Brazil Sanctions

Reuters
WASHINGTON — The Reagan administration has decided to postpone planned import sanctions against Brazil because of progress made in a computer trade dispute, according to the U.S. representative, Clayton K. Yeutter.

Mr. Yeutter said that recent Brazilian action to end trade curbs removed some U.S. concerns. Five Brazilian implementation regulations are to be approved by April 19.

President Ronald Reagan announced in November that would impose punitive tariffs about \$100 million on Brazilian ports in retaliation for Brazilian markets that were closed to U.S. computer and software products.



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Lynching Chills Arabs Who Aid Israelis

By Glenn Frankel
Washington Post Service

QABATIYAH, Israel-Occupied West Bank — Every time Palestinian demonstrators passed Mohammed Ayyed's house on the main road through this town in the Israeli-occupied West Bank, they would chant, "Long live Palestine, death to the traitor!" Sometimes, Mr. Ayyed could be seen peering uneasily through an upstairs window.

Then one day last week something snapped. During a protest march here, youths threw rocks at the house and Mr. Ayyed responded with a burst of machine-gun fire. A four-year-old boy was killed, a dozen more people were wounded, and the incensed crowd laid siege to the house.

When it was over, Mohammed Ayyed was dead, his body hanging below a Palestinian flag on an electric pole at the town's central bus station. He was the first alleged collaborator to die since the Palestinian *intifadah*, or uprising, began nearly three months ago and the first ever to be lynched.

operatives of the Shin Bet, the Israeli internal security service, who were assigned to oversee police matters in the town.

He and other known collaborators have long been part of the political and social landscape of the West Bank, as are the well-connected Arab intermediaries who, for a fee, arrange building, travel and business permits for residents, and the local Arab police or

under Israeli protection. But they were not charged with any crime and punished with full severity. Major General Amram Mizna, the military commander of the West Bank, said in an interview with Israeli radio.

"The smaller group that did the deed and incited the hundreds to go out on the streets and to go wild, we'll deal with them," General

Residents of Qabatiyah say Mr. Ayyed boasted of his Shin Bet connections and liked to show off his Uzi submachine gun, a weapon that he and a handful of other collaborators were allowed to carry for self-protection.

About six months ago, someone tried to kill Mr. Ayyed by placing a bomb in his car after midnight, residents say. But he chased them off with machine-gun fire. The next morning, those allegedly responsible were arrested.

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Residents say someone from the mosque turned in the weapons to the military governor's headquarters in Jenin. The army refused to comment on this, but military sources said that incidents of collaborators turning in their weapons and pledging not to aid the Israelis had taken place recently in at least two West Bank towns.

'We might be heading into a new phase where the norms do not apply anymore.'

Danny Rubenstein, Israeli journalist

the town officials who lead Shin Bet men after midnight to the houses of those targeted for arrest.

Now there is fear that the old lines between "acceptable" collaboration and betrayal are blurring and that Palestinians holding civilian jobs in the occupation administration and even moderates seeking political dialogue with Israel or the United States may find themselves lumped together with the Mohammed Ayyeds.

Mizna said, "and the town of Qabatiyah itself will be punished."

For many Palestinians, life under occupation seems a constant series of bottlenecks. At each bottleneck stands a Shin Bet agent who has the power to say yes or no. Anyone who wants to buy land, or build an addition to his house, or start a business or travel abroad must have a permit or document.

80% of Americans Give Europe 'Very Favorable' Rating in Poll

WASHINGTON — The European Community's office in Washington says it is encouraged by the results of a Gallup Poll it commissioned showing that four out of five Americans give a "very favorable" rating to Western Europe — higher than for Japan but lower than for Canada.

Arab policemen are in another category. They are seen as fighting common crime and most take pains not to get involved in security matters. They are seldom on the scene when riots break out. Nonetheless the pressure on them to resign has greatly increased in recent weeks.



A Palestinian and an Israeli soldier eye each other in Nabus after a demonstration in the West Bank city.

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Greece in the 1990's NEW TRADE AND INVESTMENT OPPORTUNITIES

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The conference will be addressed by Prime Minister Dr. Andreas Papandreu along with those members of the government most directly involved in formulating and implementing the policies that will affect the future business climate. Additional presentations will be given by leading government officials, bankers and businessmen. Simultaneous translation will be used at all times. Senior executives wishing to register should complete and return the registration form today.

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| MONDAY, MARCH 28 OPENING ADDRESS Andreas G. Papandreu, Prime Minister of Greece NEW ECONOMIC POLICIES Panayotis Roumeliotis, Minister of National Economy TRADE: NEW OUTLOOKS Nicholas Alexopoulos, Minister of Trade ENERGY AND NEW TECHNOLOGY Aristoteles Papanicolaou, Minister of Industry MONETARY POLICY AND TAX INCENTIVES Demetrios Tsvoulas, Minister of Finance INVESTMENT INCENTIVES AND PROSPECTS Theodoros Karatzas, Deputy Minister of National Economy LUNCH 1982 - THE CHALLENGE FOR GREECE Jacques Delors, President, European Commission INTERNATIONAL ECONOMIC RELATIONS Yannis Papanikolaou, Deputy Minister of National Economy THE PRIVATE SECTOR Theodore Papanikolaou, President, Federation of Greek Industries BUSINESS IN GREECE: PANEL DISCUSSION John Griffenes, Vice President, General Dynamics International Corp. Eusebio Avaiselis, Managing Director, Dow Chemical Hellenic S.A. Petrus Trautachold, General Manager, Wella Cosmetic Co. Ephremios Petros, Managing Director, Bebatas Hellenic, A.B.E. Laonikios Koskos, President, The National Council of Free Enterprise and President, Food Industry Association Moderator: Athanasios Frontonitis, President, Hellenic Export Organization Registration and Dinner GUEST SPEAKER Andreas G. Papandreu, Prime Minister of Greece | TUESDAY, MARCH 29 THE DEFENSE INDUSTRY Stathis Viotas, Alternate Minister of Defense THE SHIPPING INDUSTRY Eusebio Gourdouchalakis, President, Union of Greek Shippers TOURISM AND RELATED PROJECTS Nicholas Skoufias, Minister for Tourism THE CHANGING ROLE OF BANKING IN GREECE Stathos Panagopoulos, Governor of National Bank of Greece GREECE: THE CHALLENGE OF THE 1990's Ambassador Edward E. Streator, former US Ambassador to the OECD LUNCH GUEST SPEAKER His Excellency Robert V. Keeley, US Ambassador to Greece Class of Conference CONFERENCE CHAIRMAN Demetrios N. Petalovias, President of the American-Hellenic Chamber of Commerce Charles E. Proffitt, President of the American Hellenic Chamber of Commerce Axel Krause, Corporate Editor, International Herald Tribune * to be confirmed. |
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REGISTRATION INFORMATION: The fee for the conference is \$250 for all participants registering from outside Greece. For those registering in Greece, the fee is Drachma 60,000. The fee includes lunch, a dinner and conference documentation. Fees are payable in full at the time of registration and will be returned in full for any cancellation that is postmarked on or before March 11. Cancellations after this date will be charged the full fee. Substitutions can be made at any time.

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Delvalle Calls for Boycott

Panamanian Fees Are the Target

By Neil A. Lewis
New York Times Service

WASHINGTON — Supporters of Eric Arturo Delvalle have said here that he has issued orders from hiding in Panama intended to create a cash flow crisis for the Panamanian government.

Mr. Delvalle, who maintains that his removal Friday as president of Panama at the hands of the military strongman, General Manuel Antonio Noriega, is illegal, has called for a boycott of all payments to the government. In particular, he asked Panamanian embassies throughout the world to refuse to send shipping fees to Panama.

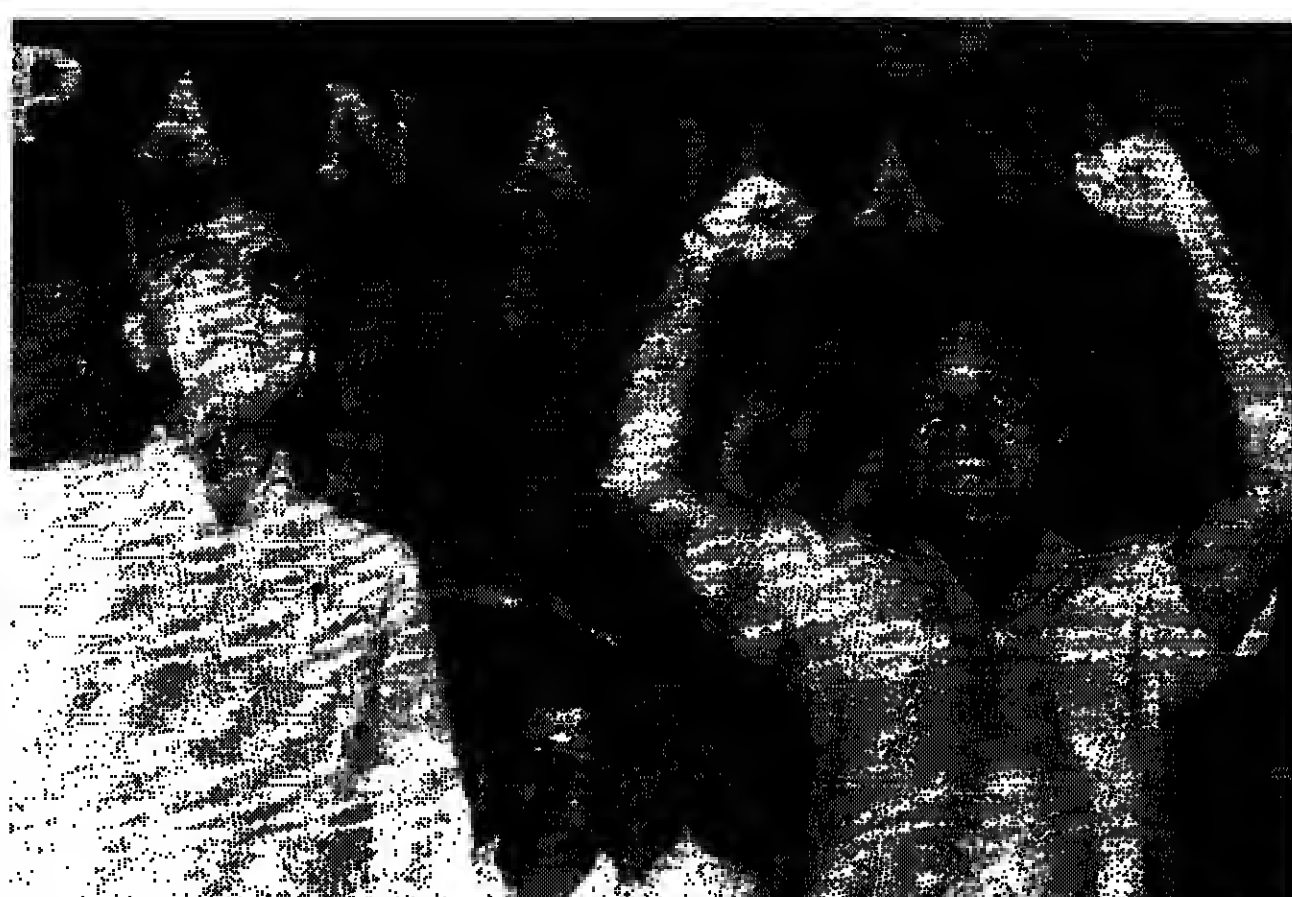
The embassies collect the fees that shipping companies pay to have their vessels registered in Panama and fly the Panamanian flag, Gabriel Lewis Galindo, a former ambassador to Washington who is serving as Mr. Delvalle's spokesman in Washington, said Monday that more than 11,000 vessels were registered in Panama and that they carried millions of dollars annually for the Panamanian treasury.

The Reagan administration has been pressing General Noriega, who was indicted on drug charges in Florida last month, to relinquish power. With encouragement from the administration, Mr. Delvalle tried and failed to dismiss General Noriega last week. Mr. Delvalle has gone into hiding.

A senior American official said that the Panamanian government was desperately short of hard cash and relied on the shipping fees to replenish its small reserves.

Panama does not print its own money, relying instead on American dollars.

Mr. Lewis said he spoke by telephone Monday with Mr. Delvalle



President Manuel Sotís Palma, left, and General Manuel Antonio Noriega at a rally in Panama City attended by 2,000 supporters.

at his hiding place in Panama. He said Mr. Delvalle had declared that any Panamanian official who sent shipping and other fees to Panama could face embezzlement charges. Mr. Delvalle has also asked Panamanian citizens to withhold payments from the government.

Mr. Delvalle's proclamation is his latest effort to reinforce his assertion that he remains the lawful president of Panama. According to Mr. Lewis, Panamanian consular officials in Hamburg, London and New York, all important shipping centers, remain loyal to Mr. Delvalle and have agreed to withhold any fees they receive. The situation at the embassies in the Far East was less certain, he said.

A Reagan administration official said that they were hopeful that General Noriega's civilian and military supporters would find it increasingly difficult to continue supporting him. But the officials acknowledged that they had proceeded

without a clear strategy in mind. "Once we started down the path of trying to remove General Noriega," he said, "we tried to seize opportunities," an official said. Specific steps were taken on an ad hoc basis, he said.

■ **Strike Support Grows**

A general strike called to protest the rule of General Noriega appeared to gain some momentum in its second day Tuesday after receiving little visible support Monday. The Associated Press reported from Panama City.

In one neighborhood, plainclothes security agents firing handguns and shotguns attacked a band of anti-government demonstrators and bystanders Tuesday. There were no immediate reports of injuries or other details.

Organizers of the indefinite work stoppage had predicted that the ac-

tion would spread to the Panama Canal on Tuesday.

But a Canal Commission spokesman said that, as of midmorning, traffic was normal. He said all 38 vessels scheduled to pass through the waterway Monday did so.

■ **Drug Trafficking Charges**

President Ronald Reagan advised Congress on Tuesday that Panama, Afghanistan, Iran and Syria had not cooperated with the United States to halt drug trafficking and were liable to an aid cutoff and other sanctions. The Washington Post reported.

The allegation against Panama had been expected. Ann W. Wroblecki, assistant secretary of state for international narcotics matters, acknowledged that the decision would have no immediate practical effect since U.S. aid to Panama already has been suspended.

A Land Shultz Did Not See

On Middle East Mission, Real Issues Were Remote

By Edward Cody and David B. Ottaway
Washington Post Service

JERUSALEM — The flight to Amman from Ben Gurion Airport near Tel Aviv could be a short hop right across the West Bank.

But Secretary of State George P. Shultz, traveling in search of a solution for that troubled area, has been forced by a state of war to make long detours via the Gulf of Aqaba, deprived down from the bitterly contested hills that are the main subject of his concerns.

Mr. Shultz's peace mission, tangled in the complexities of the Middle East, has in many ways remained eerily remote from the ancient land he is seeking to pacify.

The shades of diplomacy on his plane — that it "self-rule" or "full autonomy," for example, but not "self-determination" — seem strangely distant from the simple passion of Palestinians on the West Bank demanding their own country or the equally simple passion of Jewish settlers insisting the ground has been made theirs for all time and Israeli soldiers enforcing the occupation.

The mission's carefully reasoned goals, defined by U.S. officials as negotiations on a permanent arrangement for the territory, also appear dissonant with the raw struggle going on there between Palestinian youths and Israeli soldiers ordered to break the back of any resistance to the 20-year military occupation with clubs and bullets.

An Israeli colonel interviewed last week on the state-run television, for instance, said the terms "riots" or "disturbances" had become "irrelevant." It was, he said, "a struggle between two national entities over this country."

Similarly, Mohammed Khalil, a Palestinian vegetable merchant in the Ramallah city market, said Mr. Shultz was approaching the problem from the wrong angle because

he was seeking to make Israeli sovereignty less onerous for West Bank and Gaza Palestinians.

"It's not a material question," he said. "It's a question of our feelings, our honor. We want a country for the Palestinian people, just like the other peoples of the world."

The distance between Mr. Shultz's diplomacy and one of the peoples it concerns seemed dramat-

ically symbolized when Mr. Shultz went Friday to the American Colony Hotel in East Jerusalem to meet with Palestinians from the West Bank. He saw only an empty room, where he told reporters "Palestinians must be active participants in the negotiations to determine their future."

In the West Bank and Gaza itself, four Palestinians were killed that day by Israeli troops putting down riots.

The Palestine Liberation Organization, which Palestinians say represents them but which Mr. Shultz is barred from contacting, had ordered West Bank notables to boycott the Shultz meeting despite U.S. efforts to arrange a meeting.

As a result, Mr. Shultz so far has talked to Israelis, Jordanians, Syrians and Egyptians, but not to Palestinians who live — almost literally by these days — a stone's throw from his Hilton Hotel suite.

Mr. Shultz said he will abide by the ban on official U.S. contact with the PLO, but there are signs he is irritated by it. A senior official on his plane said, for example, that a recent law ordering closure of the PLO mission to the United Nations was "one of the dumbest things Congress has done this year."

The largest chunk of Mr. Shultz's time in any case has gone not to shuttling between Israel and Arab capitals, but between the offices of Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres in Jerusalem.

The two Israeli leaders and their rival parties, although they agree that the Palestinian uprising must

be crushed by force for the present, have adopted sharply different positions on what Mr. Shultz is trying to do for the future.

The rawness of the West Bank struggle has been starkly visible on television during nearly three months of violent clashes between youths throwing stones and Israeli soldiers swinging clubs.

But less visible is Israel's methodical civilian and military implantation across the territories captured in 1967, which has progressed substantially since it was last a subject of high-level U.S. concern during abortive talks on Palestinian autonomy that followed the 1979 Egyptian-Israeli peace treaty.

At that time, estimates were that 13,000 Jewish settlers lived on the West Bank. The estimate now has risen to more than 65,000 in more than 100 settlements.

This has created what a senior Israeli military officer called a "very intricate situation" in which Arab and Jewish communities of ten lie side by side, defying the U.S. idea of separation to make way for Palestinian self-rule even now that it did within the autonomy talks broke down in 1981.

Although he has staked his prestige on negotiating a settlement in these situations, Mr. Shultz has never visited the West Bank or Gaza as secretary of state. U.S. diplomats said.

Since riots began in December prompting Mr. Shultz's mission, U.S. officials have been ordered not to visit the occupied territories except after checking with a U.S. security officer, they added.

Kurds Said to Kill 500 Iraqis

NICOSIA — Iranian-backed Kurdish guerrillas killed 500 Iraqis and injured 1,000 in a "lightning operation" in northern Iraq that began Monday and is continuing, the Iranian press agency IRNA reported Tuesday.

President Manuel Sotís Palma, left, and General Manuel Antonio Noriega at a rally in Panama City attended by 2,000 supporters.

President Manuel Sotís Palma, left, and General Manuel Antonio Noriega at a rally in Panama City attended by 2,000 supporters.

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The International Herald Tribune proposes to publish this advertising section on **WEDNESDAY, APRIL 27, 1988.** For topics to be covered and advertising availability, please contact: Didier Brun - 146 37 93 82, Max Ferrero - 146 37 93 81, Telex: 613595

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Very High Office. Fully furnished, Conference Room, etc. Contact: [Name], [Address], [Phone].

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ARTS / LEISURE

Tunisian Music, Strings Attached

By Mike Zwerin

TUNIS — A big fish in small ponds, Anouar Brahem is a Tunisian musician who has become a sensation in the West...



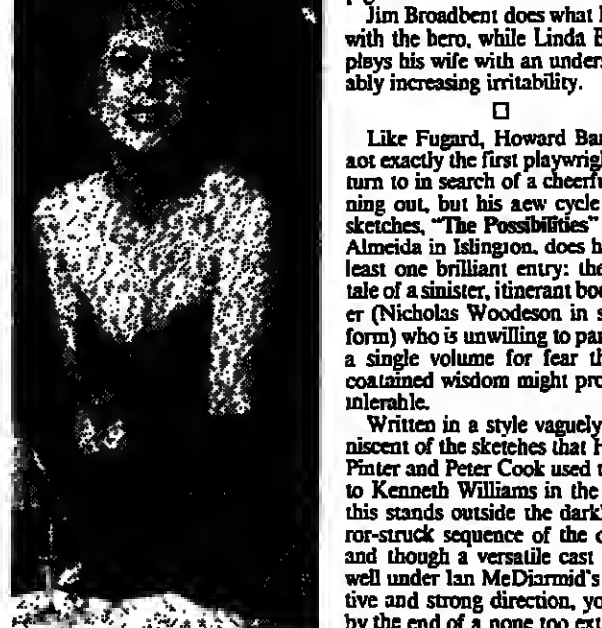
Neo-traditionalist Chekili (left) and jazzman Brahem want to share their music with the world.

of the subsidized Ensemble Musical de la Ville de Tunis, which he describes as "a colonialist inheritance... a 30-piece group playing Arab music with 15 violins and a conductor standing in front..."

'Bitter Sweet' Revival

By Sheridan Morley

LONDON — For the first time in almost 60 years, London audiences have a chance to see the earliest and best of Noël Coward's operettas, "Bitter Sweet"...

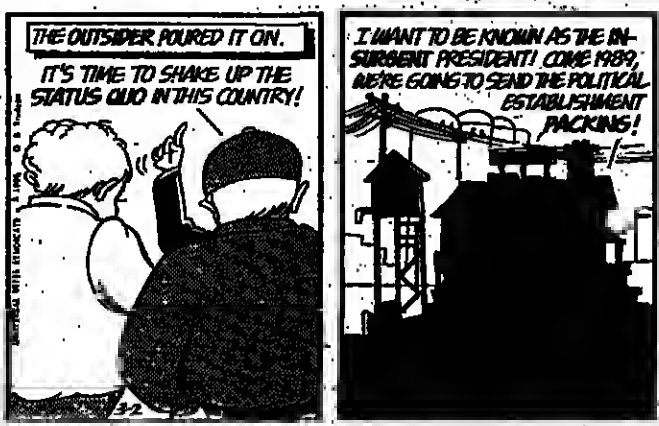


Ashe: Strength, enchantment.

What is fascinating here is to see how Coward once came to love Novello and that whole Ruritanian world of uniformed cadets and penniless composers...

Another one called it 'do-praved.' The festival was being taped by TV but the cameras weren't turned on when we played. The Ministry of Culture accepted Brahem's proposal for a 'meeting' between Tunisian and Turkish instrumentalists...

DOONESBURY



D'Oyly Carte Company Resurrected by Bequest

LONDON — The D'Oyly Carte Opera Company, which closed in 1982 for lack of funds after 107 years, was resurrected on Tuesday...

Financial market data tables including NYSE Most Actives, Market Sales, NYSE Index, AMEX Diary, NASDAQ Index, AMEX Most Actives, Dow Jones Bond Averages, NYSE Diary, Odd-Lot Trading in N.Y., Dow Jones Averages, Standard & Poor's Index, NASDAQ Diary, and AMEX Stock Index.

Table with columns for stock symbols, prices, and changes, including AAR, ACO, ACP, etc.

NYSE Closes Narrowly Lower

NEW YORK — Prices closed narrowly lower Tuesday on the New York Stock Exchange in active but directionless trading that analysts described as a normal consolidation after the market's recent strong gains.

Table with columns for stock symbols, prices, and changes, including AAR, ACO, ACP, etc.

WORLD MARKET IN REVIEW... MARKET REVIEW... MARKET REVIEW...

Tuesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

| 12 Month High | Low | Stock | Div. | Yld. PE | 52 Wk. High | Low | Close | Chg. |
|---------------|-----|-------|------|---------|-------------|-----|-------|------|
| 120 | 110 | IBM | 3.00 | 6.5 | 120 | 110 | 115 | +5 |
| 100 | 90 | AT&T | 2.00 | 6.0 | 100 | 90 | 95 | +5 |
| 80 | 70 | GE | 1.00 | 6.0 | 80 | 70 | 75 | +5 |
| 60 | 50 | Ford | 0.50 | 6.0 | 60 | 50 | 55 | +5 |
| 40 | 30 | Merck | 0.50 | 6.0 | 40 | 30 | 35 | +5 |
| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

| 12 Month High | Low | Stock | Div. | Yld. PE | 52 Wk. High | Low | Close | Chg. |
|---------------|-----|-------|------|---------|-------------|-----|-------|------|
| 100 | 90 | Amgen | 0.50 | 6.0 | 100 | 90 | 95 | +5 |
| 80 | 70 | Amgen | 0.50 | 6.0 | 80 | 70 | 75 | +5 |
| 60 | 50 | Amgen | 0.50 | 6.0 | 60 | 50 | 55 | +5 |
| 40 | 30 | Amgen | 0.50 | 6.0 | 40 | 30 | 35 | +5 |
| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

| 12 Month High | Low | Stock | Div. | Yld. PE | 52 Wk. High | Low | Close | Chg. |
|---------------|-----|-------|------|---------|-------------|-----|-------|------|
| 100 | 90 | Amgen | 0.50 | 6.0 | 100 | 90 | 95 | +5 |
| 80 | 70 | Amgen | 0.50 | 6.0 | 80 | 70 | 75 | +5 |
| 60 | 50 | Amgen | 0.50 | 6.0 | 60 | 50 | 55 | +5 |
| 40 | 30 | Amgen | 0.50 | 6.0 | 40 | 30 | 35 | +5 |
| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

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|---------------|-----|-------|------|---------|-------------|-----|-------|------|
| 100 | 90 | Amgen | 0.50 | 6.0 | 100 | 90 | 95 | +5 |
| 80 | 70 | Amgen | 0.50 | 6.0 | 80 | 70 | 75 | +5 |
| 60 | 50 | Amgen | 0.50 | 6.0 | 60 | 50 | 55 | +5 |
| 40 | 30 | Amgen | 0.50 | 6.0 | 40 | 30 | 35 | +5 |
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| 40 | 30 | Amgen | 0.50 | 6.0 | 40 | 30 | 35 | +5 |
| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

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| 60 | 50 | Amgen | 0.50 | 6.0 | 60 | 50 | 55 | +5 |
| 40 | 30 | Amgen | 0.50 | 6.0 | 40 | 30 | 35 | +5 |
| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

Tuesday's OTC Prices

NASDAQ prices as of 4 p.m. New York time. This list, compiled by the AP, consists of the 1,000 most actively traded securities in terms of dollar volume. It is intended for general information only.

| 12 Month High | Low | Stock | Div. | Yld. PE | 52 Wk. High | Low | Close | Chg. |
|---------------|-----|-------|------|---------|-------------|-----|-------|------|
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| 80 | 70 | Amgen | 0.50 | 6.0 | 80 | 70 | 75 | +5 |
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| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

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| 80 | 70 | Amgen | 0.50 | 6.0 | 80 | 70 | 75 | +5 |
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| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

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| 100 | 90 | Amgen | 0.50 | 6.0 | 100 | 90 | 95 | +5 |
| 80 | 70 | Amgen | 0.50 | 6.0 | 80 | 70 | 75 | +5 |
| 60 | 50 | Amgen | 0.50 | 6.0 | 60 | 50 | 55 | +5 |
| 40 | 30 | Amgen | 0.50 | 6.0 | 40 | 30 | 35 | +5 |
| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

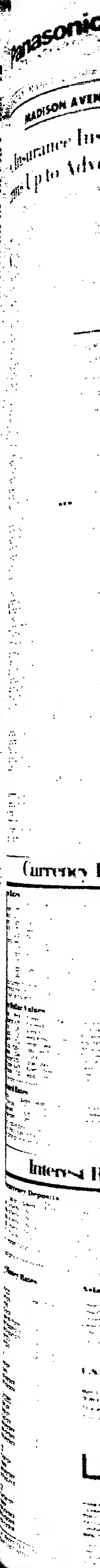
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| 20 | 10 | Amgen | 0.50 | 6.0 | 20 | 10 | 15 | +5 |

Sales figures are unofficial. Yearly highs and lows reflect trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and percent are shown for the new stock only. Unless otherwise noted, rates of dividends are annual distributions based on the latest declaration.

a - dividend also available
 b - annual rate of dividend plus stock dividend
 c - non-cumulative dividend
 d - new yearly level
 e - dividend declared or paid in preceding 12 months
 f - dividend in Canadian funds, subject to 15% non-residence
 g - dividend declared after split or stock dividend
 h - dividend paid this year, omitted, deferred, or no action
 i - dividend declared or paid this year, on accumulative basis with dividends in arrears
 j - new issue in the past 52 weeks. The high-low range begins with the start of trading.
 k - next day delivery
 l - or - or - earnings ratio
 m - dividend declared or paid in preceding 12 months, plus stock dividend
 n - stock split. Dividend begins with date of split.
 o - issue
 p - dividend paid in stock in preceding 12 months, estimated cash value as of dividend or split-burden date.
 q - new yearly level
 r - trading halted
 s - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities covered by such companies
 t - when distributed
 u - when issued
 v - with warrants
 w - 25% dividend or non-rights
 x - ex-dividend
 y - without warrants
 z - ex-dividend and sales in full
 - sales in full



WEDNESDAY, MARCH 2, 1988

Page 11

MADISON AVENUE

U.S. Insurance Institute Warms Up to Advertising

By PHILIP H. DOUGHERTY

NEW YORK—The 29-year-old Insurance Information Institute publishes brochures, monographs and books; conducts original research; sponsors seminars, and trains speakers for radio and television. In the last five years, the New York-based institute also has discovered the mass-communications value of advertising.

After a small print campaign, the institute, comprising about 300 property insurance firms, moved cautiously into television, and soon it was spending millions of dollars annually on such causes as cracking down on drunken driving and curbing the explosive growth of liability litigation.

The 1987 advertising campaign, despite the great successes of recent television commercials, will be entirely to business and news magazines. Alan M. Siegel, chairman of Siegel & Gale, the Saatchi & Saatchi subsidiary that does the institute's advertising, said the client wants to give a selectively targeted audience a lot of information and offer even more information through coupon ads.

It spends millions on efforts to discourage drunk driving and liability litigation.

This year's campaign, Mr. Siegel said, "extends the image campaign to explain how the insurance mechanism works, speaking of the benefits in addition to economic protection."

Using specific examples, the ads recount what insurance companies did for a homeowner and a small business that were burned out. One ad describes the help offered by an insurance company after thefts in a home and a business.

George Patterson Ltd., Australia's largest advertising agency, has enjoyed the best year in its 53-year history, with billings of \$295 million in U.S. dollars. Net income was \$5.7 million, up 34 percent from 1986. The growth came in a market that was fairly flat. Geoffrey A. Cousins, chairman and chief executive, also sees a relatively flat market for the industry in 1988. He predicts it will be "slack, about 5 percent less than inflation."

AS HEAD OF PATTERSON, Mr. Cousins, 45, is also a member of the management committee of the parent company, Saatchi & Saatchi's Backer Spielvogel Bates of New York. He is somewhat of a hero within London-based Saatchi. His company, in addition to being named agency of the year in 1987 by three different groups in Australia, also had the best 1987 financial performance of any unit within publicly held Saatchi, the world's biggest advertising company.

Patterson also drew more new business (15 accounts with billings of about \$7 million) than any other Australian agency. Those assignments included U.S. advertising for Foster's beer. The agency already handles ads for Foster's in Australia. Patterson's spots blend easily with American advertising, and its value for cost of production is equal to the best in the United States.

Accounts

Burkhardt & Christy has been named to do advertising for the four dress lines of St. Gillian Fashion Group.

Tracy-Loche of Dallas, part of the Omnicom Group, has won the retail business of Texas Commerce Bank of Houston, a subsidiary of Chemical New York Corp.

People

Morton Lowenstein has been named executive vice president at Young & Rubicam.

Ronald A. Louie and Judson Savickas have become senior vice presidents at DDB Needham Worldwide.

Robert L. Fornaro has rejoined Braniff Airways of Dallas as senior vice president for marketing and planning.

Indicators In U.S. Fall 0.6%

But Report Eases Recession Fears

By Robert D. Hershey Jr.

WASHINGTON—The government said Tuesday that its principal economic forecasting index fell 0.6 percent in January, slightly more than most analysts expected.

But for a variety of reasons, including an upward revision of the index for December, private forecasters remained convinced that the economy will continue to expand in the next several months, albeit at a sluggish pace.

"The bottom line would point to a slowdown in the economy, but certainly there are no red-flag warnings of an imminent recession," said Donald E. Maude, chief economist at Midland, Montagu Capital Markets, a San Francisco dealer in Treasury securities. "It weeds out more of the recession forecasters and puts them back in the closet."

The Commerce Department also reported that new construction fell 2.9 percent in January, the biggest decline in 10 months. But analysts tended to shrug off that result as well because the December figure was revised upward.

January was the fifth straight month in which the initial report on the Index of Leading Indicators produced a negative figure. The frequent subsequent revisions, however, discourage analysts from applying the rule of thumb that three straight declines signal imminent recession.

Analysts noted that the biggest factor in the January decline was a rise in new weekly claims for state unemployment insurance, a trend that appears to have been reversed in February.

"My general feeling is that the January leading indicators are out of date," said Gordon B. Pyle, chief economist for Irving Trust Co.

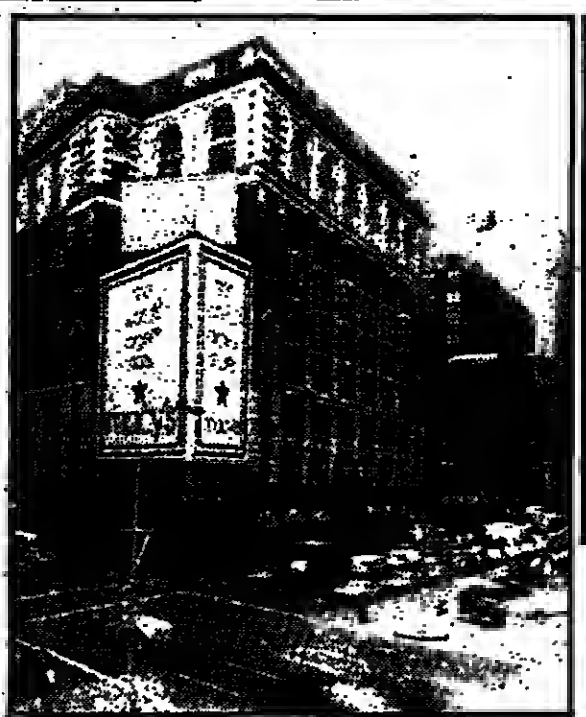
Meanwhile, some private gauges of the business outlook also suggested that the economy is lackluster but might avoid slipping into recession. A recession traditionally is defined as two straight quarters in which the gross national product contracts.

Safian Investment Research reported that its index of indicators, which tends to move in advance of the actual economy, was unchanged in January after three straight declines.

Kenneth Safian described "a very mixed and uncertain picture," but said he was not forecasting a downturn.

Similarly, IDS Financial Services said its barometer of economic danger rose significantly last month but remained comfortably below the 90 percent reading it considers necessary to predict recession over the next six to nine months.

Richard W. Rahn of the U.S. Chamber of Commerce said, "The economic slowdown is not coming. It's here, and soon it will be gone."



Edward S. Finkelstein, Macy's chairman. In one example of his marketing flair, he installed a replica of a saloon inside Macy's Herald Square store in New York.

Theatrical Bid Was Typical of Macy's

Federated's Surprise Suitor Is a Razzmatazz Retailer

By Carla Lazzareschi

Los Angeles Times Service

LOS ANGELES—R.L. Macy & Co., the retailer that emerged late Monday as a surprise bidder for Federated Department Stores Inc., has been a cultural symbol for generations of Americans as well as a merchandising mecca.

Its annual Thanksgiving Day parade in New York is as much a part of the holiday as the turkey for millions of people. And with its flair for advertising and aggressive marketing, Macy's has grown into one of the largest U.S. department store chains.

Macy opened its doors in New York 130 years ago as a dry-goods store, the fifth retailing attempt by a four-time loser.

Of his first failed venture, Rowland Hussey Macy had written in his diary: "I have worked for two years for nothing. Damn, damn, damn, damn."

The fifth venture, too, started poorly: just \$11.06 was rung up on the first day of business in 1858.

Today Macy operates 91 stores across the country, from its flagship on Herald Square in New York to its trendy Union Square store in San Francisco.

It is now poised to reach another retailing milestone: a merger with giant Federated. It acknowledged late Monday that it was the so-called mystery bidder that emerged over the weekend for

Federated's widespread operations, which include the Bullock's, I. Magnin, Bloomingdale's and Filene's department store chains.

Overall, Federated owns more than 650 department, food, mass merchandising and specialty stores nationwide. It reported sales of \$11 billion in 1987.

Macy reported sales of \$5.2 billion last year. A combination with Federated would "obviously end up being the most powerful department store entity in the United States," said Monroe H. Greenstein, a retail analyst with Bear, Stearns & Co. in New York.

Under Macy's \$6.53 billion offer, Federated shareholders would receive \$73.80 a share in cash for about 80 percent of the company's 88.5 million outstanding common shares. The rest of the Federated shares would be exchanged for a 40 percent share of the newly formed company.

Federated said that the board of a merged company would include "significant representation from the Federated board."

The combined company would seek a listing on the New York Stock Exchange, marking Macy's return to public ownership after being privately held since July 1986. Observers view a sale of stock to the public as crucial to Macy's financing the deal.

Macy's bid threw Campean Corp., the Toronto-based bidder, into a state of confusion. See MACY, Page 14

BAe Negotiating To Take Over Rover Group

By Warren Getler

International Herald Tribune

LONDON—British Aerospace PLC, Britain's largest military contractor, announced Tuesday that it was negotiating to acquire Rover Group PLC, the nation's biggest domestic car manufacturer, in a move that has the strong support of the government.

A target price for the ailing, state-owned automaker was not disclosed. But analysts said a takeover would be a "bargain."

Four European nations pressed for talks between Airbus and McDonnell Douglas. Page 14.

continue a worldwide trend of mergers between aerospace and automotive companies that are seeking to fill gaps in their engineering and marketing capabilities.

The merger would create an export-oriented company with sales of about £7.5 billion. It would follow such mergers as Daimler-Benz AG's purchase of Dornier GmbH, AGO AG and MTU GmbH; General Motors Corp.'s acquisition of Hughes Aircraft; and Chrysler Corp.'s purchase of Gulfstream Aerospace.

Prime Minister Margaret Thatcher's Conservative government has long sought to return Rover to the private sector.

Over the past 13 years, the government has put more than £3 billion into Rover, including a £680 million debt write-off a year ago.

In 1986, talks between the government and both Ford Motor Co. and General Motors of the United States to acquire parts of the Rover group were aborted when the negotiations were harshly criticized in Parliament.

Many members of Parliament opposed the idea of selling Rover to a foreign investor.

The proposed BAe merger is expected to receive a warmer welcome because the transaction would keep Rover British, would avoid placing it into the hands of a competing vehicle manufacturer and would offer technological benefits to two of Britain's major exporters.

One such benefit, as noted by British Aerospace's chairman, Roland Smith, was a working relationship with Honda Motor Co. of Japan, which collaborates with Rover on the production of Honda-designed cars at Rover plants in Britain. "We're very anxious to get closer to Honda," Mr. Smith said.

The proposed merger is expected to meet some opposition, however. Bryan Gould, a trade spokesman

over could involve a price of around £500 million (\$887 million) and an accord under which the government would write off Rover's debt. The government owns 99.8 percent of Rover Group.

Many analysts here were surprised that British Aerospace, which is struggling to cope with heavy foreign exchange losses on Airbus and other civilian aircraft sales, would seek to absorb an automotive group whose recovery is less than certain.

One trader told Reuters that the government should give Rover to British Aerospace for nothing because of its debt problems. "Who would want to buy a dog like Rover?" he asked.

Trading in shares of the two companies was suspended on the London Stock Exchange at midday. It resumed later, and BAe shares closed at 329 pence, down a sharp 25 pence for the day.

Rover's shares, which were trading at 67 pence when action was suspended, rallied to close at 82 pence.

The British trade secretary, Lord Young, told the House of Commons that he had sanctioned negotiations on the takeover, which are expected to be completed by late April.

If completed, the move would

See ROVER, Page 13

Yes, Another Twist in the Battle for Générale — More Shares

Compiled by Our Staff From Dispatches

BRUSSELS—A Brussels court on Tuesday threw a wild card into the battle for control of Belgium's biggest company, Société Générale de Belgique, by upholding a proposed capital increase meant to thwart a takeover by the Italian financier Carlo de Benedetti.

But in an ironic twist to what is already one of the most tangled takeover battles ever seen in Europe or elsewhere, Tuesday's court decision could mean that Mr. de Benedetti and his allies have won the six-week-old battle for Générale.

Société Générale has interests in about 1,400 companies worldwide and in about half of Belgium's top 50 companies. It also has an important stake in Belgium's gas, electricity and petroleum sectors and in the country's largest bank.

The distribution of the 12 million new shares, representing a 43 percent increase in Générale's capital, had been challenged by Mr. de Benedetti and frozen pending a formal court ruling. The shares were issued on Jan. 18 in an attempt to dilute his stake in the company.

But Andre Leyens, the Belgian industrialist who switched to Mr. de Benedetti's side over the weekend, said Tuesday that he has the right to purchase 10 million of those new shares — a stake that would give the de Benedetti group a total of 57 percent in Générale.

At the time of the capital increase, Générale had enlisted Mr. Leyens, chairman of holding company Gevaert NV, and other Belgian allies to block the de Benedetti bid. He agreed Sunday to tender Gevaert's 2.2 percent stake in Générale to Mr. de Benedetti for a stake in a joint venture that would directly control 16 percent of the giant Belgian concern.

The rival Belgian-French alliance which last week claimed to have a 52 percent majority in Générale disputed Tuesday that Mr. Leyens has any right to those shares, claiming instead that all of the new stock belongs to a group it controls.

The group comprises several French, Belgian and other companies grouped around France's Compagnie Financière de Suez and the Belgian insurance company, Group AG.

According to Etienne Davignon, a Générale director, Mr. Leyens told the company early last month that "he could no longer maintain his previous formal engagement for the 10 million shares."

Mr. Davignon said the new shares are now owned by seven companies from Belgium, Luxembourg and France, aligned with the 166-year-old company. A majority of these companies are opposing Mr. de Benedetti.

Without the pivotal block of 10 million shares, the stake of Mr. de Benedetti and his allies in Générale would be diluted, or reduced, to an estimated 28.5 percent from a claimed 47.2 percent.

However, Mr. Leyens said in a telephone interview Tuesday that "I have an oral agreement giving me rights to these shares. This agreement was made in a joint declaration as well as joint action in court."

Mr. Leyens acknowledged that he would be taking a risk in buying shares that could later be annulled in the final court action.

"This could be a problem," he said. "This is getting as confusing as an opera to which you've lost the libretto."

A higher court must still rule on the legality of the capital increase, and analysts said that a final judgment could take from several months to several years.

Despite Tuesday's ruling, one legal expert said Tuesday, the legal status of the new shares remains confused and dangerous.

"The sword of Damocles will hang over all future decisions of Société Générale shareholders," a law professor, Robert Wierwille, said on Belgian state radio.

"If the capital increase were annulled eventually, that would be retroactive," he said. "That's to say that all decisions taken by Société Générale shareholders with the votes of the new shares would have to be annulled." (Reuters, AP, IHT)

Currency Rates

| Cross Rates | March 1 | March 2 |
|-------------------|---------|---------|
| Australian dollar | 1.361 | 1.358 |
| British pound | 1.631 | 1.628 |
| Canadian dollar | 0.715 | 0.712 |
| French franc | 6.545 | 6.542 |
| German mark | 1.361 | 1.358 |
| Japanese yen | 163.1 | 162.8 |
| Swiss franc | 1.481 | 1.478 |
| U.S. dollar | 1.000 | 1.000 |

Interest Rates

| Barocurrency Deposits | March 1 | March 2 |
|-----------------------|-----------|-----------|
| 1 month | 4.75-5.00 | 4.75-5.00 |
| 3 months | 4.75-5.00 | 4.75-5.00 |
| 6 months | 4.75-5.00 | 4.75-5.00 |
| 1 year | 4.75-5.00 | 4.75-5.00 |

New Zealand Voids Sale Of Petrocorp to BritGas

Says Bidder Set 'Unacceptable' Terms

Wellington, New Zealand

The government said Tuesday it would not proceed with the sale of its 70 percent stake in Petrocorp, New Zealand's leading energy group, to British Gas PLC.

Richard Prebble, the minister for state-owned enterprises, said New Zealand was not prepared to comply with conditions set by British Gas following an agreement in principle reached last month.

The government had reached an accord on Feb. 15 to sell its Petrocorp holding to British Gas for 1.75 New Zealand dollars (\$1.15) a share, or about 800 million dollars (\$575.5 million).

It said later that the money from the sale would be used to retire overseas debt.

But Mr. Prebble said Tuesday that British Gas officials had "presented the Crown's negotiating team with more than 30 pages of legal provisions, which the government considered unacceptable."

He said British Gas sought detailed information about the business that "would have been far outside the type of knowledge held by shareholders and therefore not able to be given."

In London, British Gas said it was "surprised and disappointed" at the statement by the New Zealand government, and will be considering its position.

Mr. Prebble said the government had invited other companies that had expressed an interest in its stake to contact the government's negotiators.

"We are still confident that the government will obtain a satisfactory price for its shareholding in Petrocorp," Mr. Prebble said, "thereby enabling it to carry out its intention of making a substantial

dent in the public debt in this financial year."

"The government," he said, "has always been determined to get the best overall result possible for the taxpayer, and it will not sell assets on just any terms dictated by a would-be purchaser."

Petrocorp has estimated reserves of 80 million barrels of oil and 1.9 trillion cubic feet (57 billion cubic meters) of gas. It also has exploration interests in New Zealand, Australia, Thailand, Papua New Guinea and Colombia.

The public owns 15 percent of Petrocorp.

The remaining 15 percent is held by Brierley Investments Ltd., New Zealand's second largest company. Brierley is an unsuccessful bidder for the government's stake late last year.

Other companies known to have shown an interest in Petrocorp include Fletcher Challenge Ltd. and Elders Resources Ltd., a unit of Elders IXL Ltd.

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Deutsche Bank Capital Markets Limited
Generale Bank
Kredietbank International Group
SBCI Swiss Bank Corporation Investment banking N.V.
Union Bank of Switzerland (Securities) Limited

March, 1988

BUSINESS ROUNDUP

Unilever's Profit Rose 17% in '87

LONDON — Unilever Group, the British-Dutch consumer products conglomerate, said Tuesday that its pretax profit rose 19 percent to £332 million (\$590 million) in the fourth quarter of 1987, helping it post a 17 percent increase for the full year.

STC's Earnings Rose 40% To £188 Million Last Year

LONDON — STC PLC, the British electronics and telecommunications company, said Tuesday that lower costs helped it post a 40 percent rise in pretax profit to £188 million (\$333 million) last year.

Toyota Unveils Family Model

GENEVA — Toyota Motor Corp. introduced its medium-sized Carina II family model Tuesday ahead of the Geneva International Motor Show and predicted it would sell 55,000 of the cars in Europe in 1988.

ROVER: British Aerospace in Merger Negotiations

(Continued from first finance page) for the opposition Labour Party, criticized it as "a further example of the kind of conglomerate merger which has served British industry so ill in the past."

change losses it expects on civil aircraft in the next two years — as much as £260 million — to its 1987 accounts. A loss for 1987 would compare with pretax profit of £182.2 million in 1986 on sales of £3.14 billion.

Pillsbury Brings Back Spoor to Stir Itself Up

By Claudia H. Deutsch New York Times Service NEW YORK — Three years ago, William H. Spoor, the Pillsbury Co. chief known for his brusqueness, retired earlier than expected. He handed over the food and restaurant company to John M. Stafford, a soft-spoken executive who was expected to soothe frayed nerves and make Pillsbury even more profitable.

So Monday, the 1985 scenario went into reverse: The board asked the 65-year-old Mr. Spoor, who had remained a director, to take back the title of chairman, chief executive and president. Mr. Stafford, 51, resigned all three posts.

Mr. Spoor moved quickly on several key management changes. On Tuesday, Pillsbury announced that John L. Morrison had been named executive vice president and chairman of the U.S. foods division.

There was speculation Monday that Mr. Spoor would sell off two restaurant chains that have been a drain on the company, Godfather's Pizza and Steak and Ale. Pillsbury also has been having trouble with its Burger King chain.

Security Pacific Will Buy Hibernia Bank

Los Angeles Times Service LOS ANGELES — Security Pacific Corp. has agreed to pay Hong Kong-based First Pacific Holdings Ltd. \$160 million in cash for Hibernia Bank in a transaction that will

give Security Pacific 35 more branches in Northern California. Hibernia, based in San Francisco, is California's 13th-largest bank, with assets of \$1.57 billion.

California banks are seeking to widen their share of the consumer business in preparation for 1991, when the state will be opened to competition from out-of-state banks.

Both BAE and Rover are due to report 1987 earnings this month. Analysts have said that BAE could have swung into a loss last year as a result of a decision by the group to change all the foreign ex-

change losses it expects on civil aircraft in the next two years — as much as £260 million — to its 1987 accounts. A loss for 1987 would compare with pretax profit of £182.2 million in 1986 on sales of £3.14 billion.

The purchase would allow Security Pacific to roughly double its consumer business in an area in which it has only about 4 percent of the market.

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How did your portfolio perform in the October crash? Over the years we have observed that the extremely rich are as vulnerable as the rest of us to the tremors that occasionally shake the financial world.

Vertical text on the left margin of the SPOT THE CRASH advertisement, including 'China to Build Smelting Plant' and 'Spot Commodities'.

CURRENCY MARKETS

Dollar Ends Narrowly Mixed in N.Y.

NEW YORK — The dollar closed narrowly mixed Tuesday in thin trading, little moved by a larger-than-expected drop in U.S. leading indicators for January and supportive remarks by the U.S. Treasury secretary.

Table with 3 columns: Currency, Feb. 24, and Feb. 23. Rows include Deutsche mark, Pound sterling, Japanese yen, Swiss franc, and French franc.

rose 0.3 percent in December instead of falling 0.2 percent as originally reported. The report eased fears that the U.S. economy would fall into a recession.

In London, the dollar also ended mixed in dull trading. The dollar closed there at 1.6865 DM, down from 1.6880 DM at Monday's close, and at 128.35 yen, up marginally from 128.30.

Shearson Sees Gold Trading At \$420 for Most of 1988

LONDON — A leading brokerage, Shearson Lehman Brothers, said Tuesday that the price of gold probably would trade at about \$420 an ounce for most of 1988 but should rally at year-end.

Ignoring Warnings, Japan Insurers Speculate in Currencies

TOKYO — Many Japanese life insurance companies are playing the foreign exchange market aggressively despite Finance Ministry warnings to investors not to speculate in currencies, according to industry sources.

market is moving and we should move with it," the foreign exchange manager of a major life insurance company said. "We want to become more of a specialist, dealing in spot and swaps as well as hedge transactions."

be more involved in the spot market," he said. Both managers declined to be identified. Japan's 24 life insurers posted total losses of 2.24 trillion yen (\$17.47 billion) in the year to March 31, 1987, on their foreign bond portfolios. This was mainly caused by the

About five of the biggest 15 players in the Tokyo currency market are said to be life insurance companies. And when they enter the market, the dollar often jumps, dealers say.

hedging, said Richard Koo, senior economist at Nomura Research Institute. While currency trading activity has increased substantially for many life insurers, none label it speculative. They say trading is still essentially hedge-oriented.

DAT Anti-Copying Device Fails Test

By John Burgess Washington Post Service WASHINGTON — The National Bureau of Standards, after a five-month study, on Tuesday labeled as ineffective and often harmful to sound quality an electronic system that the recording industry wants used in a new generation of tape recorders to block home copying.

company's recent purchase by Sony Corp. Music on compact disks or pre-recorded DAT tapes that the manufacturer wanted to protect from copying would be treated to delete in places a narrow band of frequencies at around 3840 hertz, a zone that lies between the highest B-track and B on an 88-key piano. A special chip in the recorder would listen for this "notching." If it detected it for 15 seconds or more, the chip would shut off the recording function for 25 seconds.

European Officials Back Airbus-McDonnell Link They Seek an Agreement by Midyear

Compiled by Our Staff From Dispatches PARIS — Officials from Britain, France, West Germany and Spain on Tuesday directed Europe's Airbus industry to try to reach an agreement on industrial and commercial cooperation with McDonnell Douglas Corp. by midyear.

GM Will Drop Its Fiero Sports Model This Year

DETROIT — General Motors Corp. said Tuesday its Pontiac division would drop the mid-engine Fiero sports car at the end of the 1988 model year. In a statement, the company said sales of the plastic-bodied automobile had fallen sharply since the car was introduced in 1983.

Spain: where the party's never over.

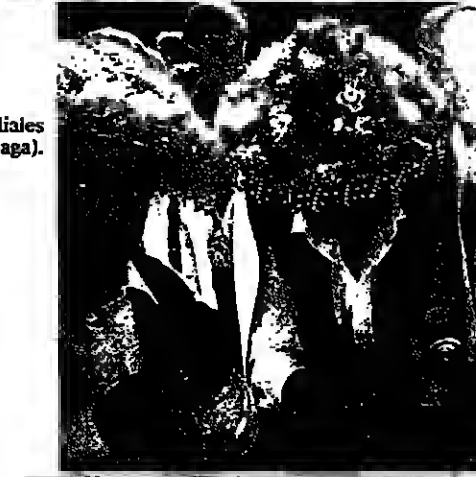
Tambores de Calanda (Teruel).



Feria de Abril (Sevilla).



Los Verdiales (Málaga).



Fallas (Valencia).



Torre Humana (Villafraanca del Penedès-Tarragona).



Music, people, colour, fun, wine, fireworks... these are the main ingredients of a "fiesta" in Spain. And you'll find them all even in the smallest of our villages. So don't be surprised to learn that there are more than 3000 "fiestas" a year.



Spain. Everything under the sun.

MACY: Theatrical Retailer Makes a Bid for Federated

(Continued from first finance page) developer that has been pursuing Federated for weeks, into a frenzy of activity to devise a counter-move. The new offer appears to comfortably top Campeau's current \$6 billion proposal, under which shareholders would receive \$68 a share in cash.

saloon and restaurant P.J. Clarke's in Macy's flagship store, an 11-story emporium on 34th Street at Herald Square. "Macy's has one of the finest management teams in all of retailing," said Mr. Greenstein of Bear, Stearns said. "They would be a real asset to Federated operations."

A merged company would end up being the most powerful department store entity in the United States. Monroe Greenstein, Analyst at Bear, Stearns

peau's tenacious chairman, Robert Campeau, had finally made such a strong offer that Federated's board of directors had to cooperate. Campeau, which in 1986 acquired Allied Stores Corp. for \$3.5 billion, owns Jordan Marsh, Ann Taylor and Stern's among others. It apparently was most interested in Federated's L. Magnin and Bloomingdale's stores.

BNP INTERLUX CAPITAL SICAV 24, boulevard Royal - Luxembourg. CONVOCATION. Meneurs les actionnaires sont priés d'assister à l'assemblée générale ordinaire qui se tiendra le mercredi 10 mars 1988 à 11 heures au siège social.

OPPORTUNITY TO GET STRONG OVERSEAS DEPOSIT BASE. Well experienced U.S. banker seeks European bank interested in deposit and/or export foreign currency accounts division. Indigo Ideas. Are there stocks still near \$15 or \$20 that will be \$150 or \$200 some day? Write, phone or telex for complimentary reports showing why some of the Indigo Ideas issues such as Applied Materials, Evers & Sutherland, Micron and Stratus may be preparing to drive bears to distraction.

SPORTS

Europe's Quarterfinals: The Knives Are Out

LONDON — Like or loathe it, the real world of sport now resumes in Europe, where there are no prizes for finishing second, never mind last.

Provided the Spanish champion sticks to its "total football," it will surely average, rather than revenge last spring.

ROB HUGHES

Worse: Real are easily the best team in the field. Such confidence! Such authority! Heynckes, once an opportunistic goal-scoring even journalist.

preparation that he says "robbed the players of physical strength and stamina."

And Lutsek is there to haunt Heynckes. He recently quit the ulcerating role of manager to fire volleys of criticism for a new magazine under the Bild newspaper banner.

Rangers hacked Dynamo Kiev's match-winner out of the game and, to boot, left the Soviet team by secretly narrowing its pitch by nine meters (29 feet) before the return game in Glasgow.

Or perhaps he believes the score has been settled. "When Liverpool went over there for the return," Souness recalls, "A policeman at the airport made a gesture that suggested my eye was going to be poked out. During the game I was kicked all over the place."

Nothing if not brave, Souness will build his team around himself on Wednesday, build particularly on a five-man midfield he hopes will prove impenetrable.

"We will have our backs to the wall," says Souness. "Steuaua are the best side I have seen anywhere this season. I'm impressed by Hagi, and particularly Lacatus on the right of midfield."

The old charmer. He seeks to lull Bucharest when his own club breaks all records for numbers of men sent off, and the Romanians themselves can tend to share his kick-and-bekicked mentality.

And such is Souness's frantic hiving and selling that four men — Jan Bartram, John Brown, Ian Ferguson and Mark Walters — signed too late to be eligible for this round.

If he won't pay special attention to the "Romanian Maradona," the rest of the world certainly would. Left free, Hagi can destroy any team with his intuitive thrusting up the left and his incorrigible habit of bending free-kicks the way Uni Geller would like to have us think he can bend spoons.

Only 23, he transferred to the army club Steaua last year, officially to do his duty as a serving soldier. Souness may feign no special arrangements, but Hagi wagers spectacular treatment from men who covet him. Reports out of Italy suggest that Juventus would set up a Fiat assembly line in Romania in exchange for him, that Panathinaikos offer free shipping to whom? in the Black Sea.

Gianni Agnelli, the Juventus paymaster, is indeed bamboozled at his beloved club's awful team and casts envious eyes on Hagi. But, as Agnelli says, "Everyone wants to get Hagi. I think the Greek at Panathinaikos will get him if anybody can."

Hagi himself doesn't expect to be released for years. He must be praying he's still sound in limb when the time comes.



Carlos Zarate ducked under a left from Daniel Zaragoza in the early going of Monday night's title fight.

Nelson, Zaragoza Win WBC Crowns

INGLEWOOD, California — Azumah Nelson of Ghana won the vacant World Boxing Council super-featherweight title with a 12-round split decision over Azabache Martinez of Mexico here Monday night.

but took a mandatory eight-count after being decked by a solid left hook in the 10th. He steadied and won the final two rounds.

Pintor, but resumed his career two years ago. Zaragoza, 29, was the top contender for the title, while Zarate was ranked No. 2.

BEST SELLERS

Revenge: the most deadly of emotions, seldom adds spectacle to sporting events. Neighbors fear and caution, and those negative vibes threaten what should be showpiece soccer in Munich.

Bayern had one fighter expelled, while Real self-destructed with two. This time, Real takes a more gifted, positive team to Munich. It has already eliminated Napoli and Porto, two of Europe's finest, with Michel outscoring even Butragueo and Hugo Sanchez.



Georgi Hagi Dark, daring — and beyond containment.

SCOREBOARD

Basketball

National Basketball Association Standings

Table with columns for Eastern Conference (Atlantic and Central Divisions) and Western Conference (Midwest and Pacific Divisions). Rows list teams like Boston, Philadelphia, New York, etc., with columns for W, L, Pct., GB.

MONDAY'S GAMES

Table listing Monday's games with columns for Home, Visitor, Time, and TV.

College Top-20 Polls

The top 20 teams in The Associated Press college poll (first-place votes in parentheses) based on 15 for first place, 14 for second, etc.

Table listing college basketball top-20 teams with columns for Rank, Team, and Points.

U.S. College Results

Table listing U.S. college sports results for various teams and events.

Hockey

NHL Standings

Table with columns for Wales Conference (Patrick and Adams Divisions) and Campbell Conference (Norris Division). Rows list teams like Philadelphia, Dallas, Chicago, etc.

MONDAY'S RESULTS

Table listing Monday's NHL game results with columns for Team, Score, and Goals.

Transition

BASEBALL — Signed Tom Coughlin and Rick Upchurch to one-year contracts.

DETROIT — Signed Tom Brookens, third baseman, to a one-year extension on his current contract.

KANSAS CITY — Signed Kurt Sibrew, pitcher, to a one-year contract.

ATLANTA — Signed Dave Valle, catcher, and Henry Carter, outfielder, to one-year contracts.

MINNESOTA — Signed Cecil Filer, infielder, and John Caruffi, pitcher, to one-year contracts.

NATIONAL LEAGUE — Cincinnati — Signed Tracy Jones, outfielder, and Bill Landrum and Pat Poella, pitchers, to one-year contracts.

PITTSBURGH — Signed Brian Fisher and Vicente Padua, pitchers, to one-year contracts.

OFFICIAL BASEBALL ASSOCIATION — Golden State — Signed Jerome Williams, center-fielder, from the injured list. Placed Larry Smith, forward, on the injured list.

FOOTBALL — Canadian Football League — Winnipeg — Signed James Murray, wide receiver, to a one-year contract.

NATIONAL FOOTBALL LEAGUE — Miami — Signed Larry Seiple, receiver's coach, to a one-year contract.

N.Y. GIANTS — Released Dave Jennings, punter; Jay Fields, center; Gordon King, offensive tackle; and Barry Benett, defensive end.

HOCKEY — CHICAGO — Recalled Dave Mackey, left wing, from San Jose of the International Hockey League.

MINNESOTA — Signed Gord Shevlin and Scott Young, forwards, to multi-year contracts; signed Mike McEwen, defenseman, for the remainder of the season.

MINNESOTA — Acquired John Borretti, defenseman, from Washington for future considerations; signed Steve Hochel, center, and Wally Schreiber, right wing, to recalled Marv Blum, defenseman, from Kalamazoo of the International Hockey League.

NOTRE DAME — Signed Jeff Morlan, defense coach, to a multi-year contract; sent Dave McLewin, forward, to Muskegon of the International Hockey League and Mark Kowalski, left wing, to Muskegon of the International Hockey League.

WASHINGTON — Recalled Alain Raymond, goaltender, from Ft. Wayne of the International Hockey League.

ALABAMA — Announced the resignation of Tommy Wade, tennis coach, effective at the end of the season.

ARIZONA — Announced the resignation of Herb Hammond, hockey coach, effective at the end of the season.

ARIZONA — Announced the resignation of Don O'Connell, football coach, effective immediately, and Michael Brito, athletic director and baseball coach, effective at the end of the school year.

European Soccer

Championship Schedules

QUARTER-FINAL FIRST LEGS, MARCH 2 (Home Team Listed First)

CHAMPIONS' CUP — Bayern Munich vs. Real Madrid; Benfica vs. Ajax; Borussia Dortmund vs. Glasgow Rangers; Celtic vs. Tottenham Hotspur.

UEFA CUP — Liverpool vs. Borussia Dortmund; Tottenham Hotspur vs. Borussia Dortmund; Borussia Dortmund vs. Tottenham Hotspur.

RETURN LEGS: MARCH 16

CHAMPIONS' CUP — Real Madrid vs. Bayern Munich; Ajax vs. Benfica; Tottenham Hotspur vs. Borussia Dortmund; Glasgow Rangers vs. Celtic.

UEFA CUP — Borussia Dortmund vs. Liverpool; Borussia Dortmund vs. Tottenham Hotspur; Tottenham Hotspur vs. Borussia Dortmund.

FOOTBALL — M.I. QUANTS — Released Dave Jennings, punter; Jay Fields, center; Gordon King, offensive tackle; and Barry Benett, defensive end.

HOCKEY — CHICAGO — Recalled Dave Mackey, left wing, from San Jose of the International Hockey League.

MINNESOTA — Signed Gord Shevlin and Scott Young, forwards, to multi-year contracts; signed Mike McEwen, defenseman, for the remainder of the season.

MINNESOTA — Acquired John Borretti, defenseman, from Washington for future considerations; signed Steve Hochel, center, and Wally Schreiber, right wing, to recalled Marv Blum, defenseman, from Kalamazoo of the International Hockey League.

NOTRE DAME — Signed Jeff Morlan, defense coach, to a multi-year contract; sent Dave McLewin, forward, to Muskegon of the International Hockey League and Mark Kowalski, left wing, to Muskegon of the International Hockey League.

WASHINGTON — Recalled Alain Raymond, goaltender, from Ft. Wayne of the International Hockey League.

ALABAMA — Announced the resignation of Tommy Wade, tennis coach, effective at the end of the season.

ARIZONA — Announced the resignation of Herb Hammond, hockey coach, effective at the end of the season.

ARIZONA — Announced the resignation of Don O'Connell, football coach, effective immediately, and Michael Brito, athletic director and baseball coach, effective at the end of the school year.

JERSEY CITY STATE — Named Frank Bender, football coach.

SOUTHERN CALIFORNIA — Named Ray Dett, football coach.

UCLA — Named Rick Neherster, assistant offensive football coach.

UNIVERSITY OF CALIFORNIA — Announced the resignation of Charlie Morrison, hockey coach.

Willis Reed Takes Helm of NBA's Struggling Nets

Compiled by Our Staff From Dispatches

EAST RUTHERFORD, New Jersey — Willis Reed, who inspired the New York Knicks to two National Basketball Association titles in the 1970s, on Monday was named head coach of the New Jersey Nets, a team plagued by injuries, losing records and drug problems for the past three seasons.

"I don't know if this is a troubled franchise," said Reed. "I think they have problems. However, I don't see them as problems that can't be resolved."

But the problems are big. New Jersey is 12-42 this season and tied with the Los Angeles Clippers for the worst record in the league. The club has lost 240 man-power games through injuries, and twice in the past three years has lost players due to drug problems.

Two years ago, Michael Ray Richardson was banned from the NBA for violating its drug policy for a third time, and just last week forward Orlando Woolridge, Reed's cousin, admitted he has a drug problem and was suspended while he undergoes rehabilitation.

The Nets obviously hope that Reed will bring credibility to a franchise that has gone 75-143 since the start of the 1985-86 season.

The terms of Reed's contract were not disclosed. But a source familiar with the negotiations said he could earn more than \$1 million over the next three and a half years.

"I'm looking at this as a 28-game season," said Reed, 45. "We'll be looking to win as many as possible and then take it from there."

Reed said that coming in now also will give him a say in the team's offseason training and in the NBA draft.

Reed replaces Bob MacKinnon, who compiled a 10-29 mark after taking over for the fired Dave Wohl in early December. Under Wohl, the club won only two of its first 15 games. MacKinnon will return to his job as assistant general manager.

Reed had been an assistant with the Sacramento Kings since 1973. A seven-time All-Star, he was named head coach in 1977 and led New York to the playoffs. He was fired 14 games into the next season after the club went 6-8.

"I'm better prepared this time," he said Monday. "I've got a little more armor and a lot more vulnerability. That goes with the territory."

LOS ANGELES — Mike Shanahan, the assistant coach credited with tailoring the Denver Bronco offense to fit the talents of John Elway, was named head coach of the Los Angeles Raiders late Monday.

Shanahan, Denver's offensive coordinator and quarterback coach for four seasons, succeeds Tom Flores, who announced his retirement Jan. 20 after nine years as the Raider helm. At 35, Shanahan became the youngest head coach in the National Football League.

The Raiders have had quarterback problems in recent years, with veterans Marc Wilson and Jim Plunkett and the young Rusty Hilger unable to provide consistency at the position.

Before going to the Broncos, Shanahan was an assistant coach at the University of Florida for four years. He previously had spent two years as backfield and receivers coach at Oklahoma and a year each at Northern Arizona, Eastern Illinois and Minnesota.

U.S. Olympic Performance in for Review

Compiled by Our Staff From Dispatches

CALGARY, Alberta — If Dan Jansen is correct, the U.S. contingent at the XV Winter Olympic Games did just fine. More than 130 athletes competed in medal sports, and all of them, Jansen said, tried their hardest.

"That's all the American public can expect," he said. "That may be true, from an athlete's point of view, and nobody in the Games that ended Sunday tried harder under more adverse conditions. Jansen competed in the 500-meter speed-skating race hours after the death of his 27-year-old sister. Later in the week, he raced in the 1,000-meter race. Both times he fell and did not finish."

In a sense, Jansen emphasized that the U.S. team more heart than reward. Athletes from the United States won six medals — two gold, one silver, three bronze — to tie Sweden in eighth place among the 57 competing nations. The Soviet Union won the most, 29 total, including 11 golds, followed by East Germany (25, 9 golds) and Switzerland (15, 5 golds).

The Americans' performance ranked as one of their least successful. Only twice before, in 1936 and 1924, did an American team win fewer medals, with four each time.

What happened this year is not easily categorized. Injuries as long ago as six months before the Games undermined the ski team. Edith Thys finished highest, ninth in the super giant slalom. Fifteen of 39 skiers who started did not finish their races.

The hockey team, which finished seventh among 12 teams, was never a power. Several athletes counted on for medals, like Jansen, his teammate Nick Thomey, and Josh Thompson in biathlon, did not come through. Debi Thomas won a bronze medal in the women's figure skating, not the gold or silver that had been expected.

There were several cheerier notes. Bonnie Warner's sixth-place finish in luge was the best ever by an American. Brent Rishlaw's bobsled team was fourth; Brian Boitano defeated Brian Orser of Canada, the world champion, to win the gold in men's figure skating. Bonnie Blair won two medals

in speed-skating, a gold in the 500-meter sprint and a bronze in the 1,000-meter race.

Speed skater Eric Flaim won a silver in the 1,500-meter race and was fourth three times, missing bronze medals by .34 seconds in the 1,000, by 1.17 seconds in the 5,000, and by 5.02 in the 10,000.

But these notes of hope for better finishes in the 1992 Games in Albertville, France, seem to be lost in the general feeling that for a country with the size, wealth and population of the United States, its showing here was poor.

Steenbrenner as chairman, emphasized that the panel was not created as a result of what was unfolding here. "This has been in the works since last summer," he said.

Nevertheless, the timing of the announcement was viewed by many with skepticism and amusement.

"I was astonished," said Richard Pound of Canada, a vice president of the International Olympic Committee. "It's not for me to comment on what the USOC does, but they picked the worst possible time to make such an announcement. I can't think of anything more off-putting to athletes trying to do their best than to find that a commission has been appointed to find out why they are screwing up."

Jansen did not disagree, but addressed the issue differently. "Sometimes I think we get a little carried away with medals counts. Everyone is out there trying to do his best," he said. "I think the emphasis on medals gets to be a little too much."

One of the more enlightened commission members, Donna de Varona, agreed. "We have never overwhelmed the world in the Winter Olympics," she said.

"Yes, we won hockey in 1980, but we're also competing against nations that are getting more sophisticated all the time. Like most of the athletes, I do not believe medals are the ultimate measurement of a country's showing in the Olympics. Personal bests ought to count for as much as medals."

"Are we giving enough support to our coaches?" de Varona wants to know. "Are our national governing bodies able to work with the college community" to make available the maximum number of facilities? "Are our children fit?"

To many who have followed the Olympic movement in the United States, the overview commission has the potential for useful results. They see Steenbrenner as a no-nonsense type who will shake and rattle the USOC for the first time since Congress gave it ultimate authority over Olympic sports in 1978.

"Most important, the people on the commission have no axes to

Park Keeps Title on KO

South Korean Park Chong-pal kept his World Boxing Association super-middleweight crown Tuesday with a fifth-round knockout of Polly Pesireron of Indonesia. United Press International reported from Chonju, South Korea.

Park sent a strong left to the challenger's body, followed with a left to the chin and added a hard right to the body. Pesireron moved one step back and slumped to the canvas, the end coming at 2:25 of the fifth of a scheduled 12-rounder.

Pesireron was unable to stand for several minutes after being counted out.

It was the first title defense for the 28-year-old champion, who won the crown in December. Park improved to 46-3-1; Pesireron, 31, is 14-4-1 lifetime.

Shanahan Named To Succeed Flores As Raider Coach

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Watches of Switzerland

THE WATCH SHOP

NEW BOND STREET, KNIGHTSBRIDGE AND ALL BRANCHES



Watches of Switzerland The watch shop

OBSERVER

Election Smoke Rings

By Russell Baker
NEW YORK — When Democrats talked about holding a brokered convention they thought of Mayor Daley and a smoke-filled room, forgetting that Mayor Daley was dead and that nobody smoked anymore.

When they got was a televised spectacle: all their candidates and Oprah Winfrey as temporary presiding moderator at the opening session. Oprah, as everyone called her in deference to the just-plain-folks etiquette of television, had won the honor in a coin toss with Phil Donahue and Geraldo Rivera.

The ground rules laid down by the League of Women Voters gave each candidate three minutes to form a winning coalition in the contest to elect a permanent moderator.

Front-runners for permanent moderator were Tom Brokaw, Judy Woodruff, Dan Rather, Peter Jennings and John Chancellor, with Sander Vanocur, Charles Kuralt and Sam Donaldson widely mentioned as dark horses.

When the candidates entered the studio to take their seats, veteran image observers saw at once that a deal was in the works. The tipoff was Governor Dukakis's left eyebrow.

Oprah, thrusting her microphone at Dukakis, said, "Tell America, governor, why do you think this country is ready for a president with only one eyebrow?"

Everything became clear a moment later when the camera picked up Representative Gephardt, who had a single thick black brow over his left eye.

The camera went immediately to Pat Sajak, Vanna White and George Will for analysis. All three agreed that the exchange of eyebrows left no doubt that Dukakis and Gephardt had formed a secret coalition.

Senator Paul Simon and Jesse Jackson were heard far off noisily demanding that the cameras cut away from Pat, Vanna and George and focus on them so they could protest what fast-thinking commentators were already calling "the eyebrow coalition."

Messages instantly intervened on behalf of a new breakfast cereal, snow tires, an airline, beer, shampoo and fake wedding cream in an aerosol can.

When the camera came right back after those messages, we learned that the League of Women Voters had fined both Simon and Jackson 25 delegates and costs for speaking out of turn. Gephardt and Dukakis were missing. Sent home, as it turned out.

Oprah explained that the league had made them take notes home to their mothers as punishment for forming a coalition in secret.

A nation desperate for analysis saw George Will ask Vanna White whether she considered a violation of Madisonian principles for famous TV political personalities to be punished for making secret deals.

Vanna replied that Mayor Daley was dead, and nobody smoked anymore, and anything not done openly on TV had to be squelched unless we wanted Mayor Daley to come back and people to start smoking again.

That led to a number of messages. Right after those messages we got back in time to learn we had missed the live camera pickup of Gephardt's mother refusing to let him in the house with his note until he got his own eyebrow back from Dukakis.

Oprah said we would see that emotional scene on tape right after these messages, but when we got back right after those messages there had been stunning new developments. Rather, Brokaw, Jennings, Woodruff and Chancellor had dropped out of the race for permanent moderator.

Panic spread fast from front-runners for permanent moderator to the dark horses, and then to TV stars who hadn't even been widely mentioned as possible moderators.

Walter Cronkite, out of touch on his yacht, neglected to panic, but NBC interrupted its coverage for Willard Scott's announcement that if elected he would not moderate.

Oprah volunteered to moderate to the end if the Democrats promised not to nominate her for president, but that was against the rules laid down by the league.

Finally, all the candidates withdrew to the makeup room, locked the door and lit up. Some still say Mayor Daley appeared. In any case, that's how, after all those years of retirement, Walter Cronkite finally became president.

New York Times Service

By Steven Greenhouse
New York Times Service

PARIS — Jean-Paul Bucher, a former chef at Maxim's, might have the most successful recipe in Paris: Take a half-dozen preferably large and ornate brasseries, spice up the traditional fare with some nouvelle cuisine fish dishes, blend in some Beaujolais and beer, and throw in a little business sense.

Voilà. Bucher has cooked up Paris's largest restaurant empire, a \$60 million enterprise that serves 1.2 million people each year in bustling restaurants so handsomely presented that they look like works of art, some Art Nouveau, some Art Deco.

Now Bucher has added the crown jewel to his empire. In January he bought La Coupole, a 600-seat emporium that is probably the most famous brasserie in Paris, and perhaps in the world. It was where Hemingway drank with other American expatriates, where Sartre phoned over lunch and where Picasso often painted the town.

With this acquisition, Bucher, a sturdy 49-year-old Alsatian, is starting to be called the king of Paris's brasseries — those festive, noisy restaurants known for their beer and for offering anything from a bowl of onion soup to a full meal from noon to 2 A.M.

"Brasseries will never become outdated," Bucher said. "There are plenty of restaurants with faded themes that are here today and gone tomorrow, but brasseries always seem to stay."

When René Lafon, the 89-year-old restaurateur whose family founded La Coupole 60 years ago, announced that he was selling his Boulevard Montparnasse landmark to Bucher, French newspapers and restaurateurs mourned the passing of an era.

The mom-and-pop brasseries are fading away — Roland Magnat, owner of Au Patois restaurant and president of the Paris Restaurant Association, "Brasseries are becoming big business."

Bucher's empire is the foremost example of the trend that is transforming Paris's vaunted culinary industry. Where Paris restaurateurs were once proud to have one establishment, Bucher now has nine — six in Paris, two elsewhere, in France and one in Barcelona —



Jean-Paul Bucher (right) celebrates the takeover of La Coupole for his brasserie empire.

as well as a group of quality delicatessens.

And he has just signed an agreement with Japan's third-largest restaurant group to design and manage two brasseries in Tokyo. He has set his sights on London, and said he was waiting for some New York entrepreneur to make him an offer he could not refuse.

Paris's second-largest restaurant group belongs to the Blanc brothers, Jacques and Pierre, who own Charlot, Roi des Coquiljages, a seafood restaurant, three Alsatian brasseries and Le Broc, a 300-year-old café that once served Voltaire and Robespierre. There are also the Layrac brothers, with three restaurants, a wine bar, and a couple of food boutiques, and L'Ecoule, a chain with six wine bars.

"In the English-speaking world, the image of chains is positive, but in France it is very negative," Jacques Blanc said. "In the United States and Britain, people like the uniformity of restaurants in a chain, but in France, we have to make sure each of our restaurants has a very different image."

Bucher's company, Groupe Flo, named after the first brasserie he owned, has learned that lesson well. In 1968 he bought Brasserie Flo, a 102-year-old institution with handsome murals and wood paneling that looks as if it had been transported from Alsace. The restaurant did so well that he was able to buy three more brasseries in the 1970s, all without taking in partners.

Bucher, a heavy-jowled man whose pink cheeks give him a slightly cherubic air, said that one of his keys to success was that Parisians — and foreigners who love to act like Parisians — have frequented brasseries for 100 years and will no doubt continue to do so.

France's masses have long flocked to these establishments knowing they can order anything at any hour, and to enjoy the scene: the writers, painters, models, stockbrokers, retired gents and couples on first dates, and the ever-present tourists.

"Bucher takes established landmarks, places with fame and originality, and preserves them," said Claude Lebey, author of several restaurant guides. "You don't see that happen so often in the United States."

Bucher's "collection" — a word he likes to use to describe his brasseries — includes gems like Julien, which is filled with staidly built, solid-quality relations.

As for the tourists, Bucher said he would prefer not to attract too many of them. "When we get here, we want to see a lot of real Parisians."

PEOPLE

Hurricane Carter Talks About Prison Ordeal

The former boxer Rubin (Hurricane) Carter emerged Monday from quiet exile to say he was sentenced to "a life of living death" in three murders he did not commit but he harbors no bitterness toward prosecutors. "If I have learned anything in my life, it's that bitterness consumes the vessel that contains it," said Carter, who had been seclusion since a federal judge freed him in 1985, after 19 years in prison. His legal battle ended Friday when charges were finally dropped. "The fact that the most productive years of my life, the ages of 29 and 30, have been stolen from me is a tragedy. I was deprived of seeing my children grow up, would you think I would have a right to bitterness?" But that would give the state another victory, he said at press conference. "That would make me an accomplice to the crime." "They sentenced me to life of living death," he said. "As there is no other way to describe the nature of a prison. Prison destroys everything valuable in life of a human being. One moment I'm a champion prize fighter, the next moment and 20 years later I'm reviled as a triple murderer. You try to make sense of that. I've been damned if I can." Carter, a white man, 48, was arrested in 1966 in the 1966 murder of the white men. Artis, paroled in 1981 is serving a six-year prison term in an unrelated drug charge. The drug sentence is being appealed.

A Soviet film crew is in Montezuma, New Mexico, making a documentary to honor the 90th birthday of the industrialist Armand Hammer, who has been dealing with Soviet leaders since Lenin. The crew from Gosteleradio, the Soviet Union's government television company, accompanied Hammer to visit the college he funded here. The Armand Hammer United World College of the Americas West. The documentary is slated to be broadcast May 21 — Hammer's birthday — on Soviet television.

Casper W. Weinberger, the former U.S. secretary of defense, is joining the law firm of Rogers & Wells as a Washington-based specialist in international law and finance. The 75-year-old firm headed by the former secretary of state, William P. Rogers.

TODAY'S INTERNATIONAL BUSINESS MESSAGE CENTER
Appears on page 8

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